

Japan Labor Review

Volume 9, Number 3, Summer 2012

Special Edition

Non-Regular Employment and Vocational Career

Articles

Part-Time Work Experience of University Students and Their Career Development

Tomoki Sekiguchi

Job Security Concern among Temporary Agency Workers in Japan

Akiko Ono

Is Temporary Work “Dead End” in Japan?: Labor Market Regulation and Transition to Regular Employment

Masato Shikata

Career Development Process, Starting with Non-Regular Workers: Based on an Analysis of Factors Determining the Transition from Non-Regular to Regular Employment, Including Promotion to Regular Employment within the Same Firm

Reiko Kosugi

Conversion of Non-Regular Employees into Regular Employees and Working Experiences and Skills Development of Non-Regular Employees at Japanese Companies

Yoshihide Sano

Article Based on Research Report

The Ways of Working and Consciousness of *Keiyaku-Shain*

Koji Takahashi

JILPT Research Activities



EDITOR-IN-CHIEF

Koichiro Yamaguchi, *The Japan Institute for Labour Policy and Training*

EDITORIAL BOARD

Sumiko Ebisuno, *Rissho University*

Mitsutoshi Hirano, *Kobe University*

Yukie Hori, *The Japan Institute for Labour Policy and Training*

Ryo Kambayashi, *Hitotsubashi University*

Daiji Kawaguchi, *Hitotsubashi University*

Minako Konno, *Tokyo Woman's Christian University*

Yuichiro Mizumachi, *Tokyo University*

Harumi Muroyama, *The Japan Institute for Labour Policy and Training*

Kazuya Ogura, *Waseda University*

Souichi Ohta, *Keio University*

Yoshihide Sano, *Hosei University*

Masaru Sasaki, *Osaka University*

Hisashi Takeuchi, *Rikkyo University*

The *Japan Labor Review* is published quarterly in Spring (April), Summer (July), Autumn (October), and Winter (January) by the Japan Institute for Labour Policy and Training.

EDITORIAL OFFICE

The Japan Institute for Labour Policy and Training

International Affairs Department

8-23, Kamishakujii 4-chome, Nerima-ku, Tokyo 177-8502 Japan

TEL: +81-3-5903-6315 FAX: +81-3-3594-1113

Email: jlr@jil.go.jp

Homepage: <http://www.jil.go.jp/english/index.html>

Printed in Japan

How to Receive the *Review*:

The *Review* is distributed free of charge. (However, in some cases the receiver will have to pay for postage.) To receive the *Review*, please complete the order form and fax it to the Editorial Office, or access <http://www.jil.go.jp/english/index.html>.

Japan Labor Review

Volume 9, Number 3

Summer 2012

CONTENTS

Non-Regular Employment and Vocational Career

Articles

- 5 Part-Time Work Experience of University Students and Their Career Development
Tomoki Sekiguchi
- 30 Job Security Concern among Temporary Agency Workers in Japan
Akiko Ono
- 59 Is Temporary Work “Dead End” in Japan?: Labor Market Regulation and
Transition to Regular Employment
Masato Shikata
- 80 Career Development Process, Starting with Non-Regular Workers: Based on an
Analysis of Factors Determining the Transition from Non-Regular to Regular
Employment, Including Promotion to Regular Employment within the Same Firm
Reiko Kosugi
- 99 Conversion of Non-Regular Employees into Regular Employees and Working
Experiences and Skills Development of Non-Regular Employees
at Japanese Companies
Yoshihide Sano

Article Based on Research Report

- 127 The Ways of Working and Consciousness of *Keiyaku-Shain*
Koji Takahashi

- 152 **JILPT Research Activities**

NEXT ISSUE (Autumn 2012)

The autumn 2012 issue of the Review will be a special edition devoted to **Great East Japan Earthquake and Employment**.

Introduction

Non-regular Employment and Vocational Career

In Japan, the ratio of non-regular employees has been increasing steadily for years. According to the Annual Report on the Labour Force Survey (Detailed Tabulation) statistics compiled by the government, the percentage of non-regular staff among all employees was 29.4% in 2002 but increased to 34.4% in 2010, an increase of 5 percentage points in about eight years. The annual average percentage of non-regular staff for 2011 is unclear, as the survey was not conducted for a time in the three prefectures most severely damaged by the Great East Japan Earthquake, but this percentage was 35.1% for the January-March period of 2012, after the survey was resumed in these three prefectures. These figures imply that non-regular employees already account for a high percentage of the Japanese labor market.

Against this background, opportunities have been increasing for Japanese workers to be employed as non-regular staff. For example, it is quite common for university students and high school students to work part-time as *arubaito* (non-regular staff), while studying. Furthermore, women who had been working as regular employees but who quit when they were married or had children still often choose to work part-time when they start working again. Since Japan entered into a long-term recession in the mid-1990s, in particular, an increasing number of young people graduating from high school or university start working as non-regular employees, or quit working as regular employees after a short period of time and continue their working lives as non-regular employees. In addition, many seniors work as non-regular employees after retirement.

As such, it is not at all unusual for Japanese workers to experience non-regular work during their vocational careers. Non-regular employment offers workers a flexible working style that allows them to select their own working hours and workplaces, and at the same time provides unskilled workers with a greater chance of finding a job. On the other hand, non-regular employment often brings about employment instability and worse working conditions, including wages, compared with regular employment. However, non-regular employment has become more and more diversified, ranging from short-term employment with low wages to job opportunities under stable employment relationships with relatively high wages. Given such circumstances, non-regular employees efforts, while engaging in non-regular work, to shift to a more stable working style and improve their working conditions—looking for regular employment in order to achieve these purposes—could reveal a significant route for career development.

How does non-regular employment help workers build an awareness of employment and career and develop their skills, from the standpoint of making this kind of career development possible? How are there chances laid out for them to shift from non-regular employment to regular employment? We are asked to carry out research on Japanese labor policies with such circumstances in mind, with the aim of searching for appropriate measures to encourage career development through work as a non-regular employee or career development involving a shift from non-regular employment to regular employment. This edition features the latest empirical studies concerning the correlation between non-regular employment and vocational career.

The paper entitled “Part-Time Work Experience of University Students and Their Career Development” utilizes questionnaire survey data acquired from students at national universities in Japan to analyze the relationship between qualitative aspects (job characteristics and behaviors in engaging in work) and quantitative aspects (hours worked) of *arubaito* (part-time work) held by university students, as well as the awareness and behavior that will contribute to their career development after graduating

from school (level of career development). The study demonstrates that students engaged in part-time work that involves a wide range of skills, and students who are proactive in their part-time workplaces, have higher levels of career development. Furthermore, an inverted U-shaped relationship was observed between the number of hours of part-time work per week and the level of career development, indicating that consideration of optimum working hours is important in the career development of university students. Additionally, students engaged in part-time work that requires a diverse range of skills have high levels of career development even with short working hours, indicating that the optimal working hours are shorter in this case. These results indicate that maintaining appropriate quality and working hours in regard to part-time work activities, which are a part of daily life for most students, can play a vital role in both their career development and their school-to-work transition.

The paper entitled "Job Choice by Short-Term Temporary Agency Workers and Job Security Concern" focuses on temporary agency workers who worked under short-term contracts of less than three months during the employment cutbacks after the "Lehman Shock," and conducts a factor analysis regarding the choice of temporary agency work, and workers' job security concerns, as well as their hope to become regular employees, based on a questionnaire survey and an interview survey. The analysis found that the most typical short-term temporary agency worker is a woman in her 20s or 30s with a junior or senior high school diploma who engages in a sales, manufacturing or light manual labor job, rather than a clerical job. It also found that the typical short-term temporary agency worker works in prefectures where the unemployment rate is high and has a post-school history of illness that could affect working life. The factor analysis regarding job security concern showed that temporary agency workers with short-term contracts of less than three months are more prone to be concerned about job security than those with long-term contracts of more than one year. It also indicated that whereas workers' hopes to become regular employees are significantly affected by job security concerns, people who realistically expect to become regular employees are less prone to be concerned about job security. Moreover, the analysis found that short-term temporary agency workers who realistically expect to become regular employees typically work under a contract with an employment period of more than one year, while those who hope to become regular employees but who realistically expect to continue temporary agency work or who have no idea of what employment arrangement they will be working under three years later typically work under a contract of less than one year. Based on these analysis results, the report concluded that the hope of becoming a regular employee stems largely from job security concerns, and proposes measures to ease job security concerns both with regard to client companies and temporary staff agencies.

The paper entitled "Is Temporary Work a "Dead End" in Japan?: Labor Market Regulation and Transition to Regular Employment" examines the transition from temporary to permanent or regular employment in Japan, using panel data. Employment protection legislation (EPL) in Japan for regular employees is more rigorous than the average of OECD countries, even though it is weaker for temporary workers. Those currently engaged in temporary work may reach a "dead end" in their attempts to become regular employees. Making a comparison between Japan and European countries, it became clear that Japan had the lowest possibility of transition from temporary to regular employment. Focusing only on men, however, 30% of temporary workers find regular employment each year. This is nearly equal to the lowest rates of transition among European countries. Analyzing gender differences in the rate of transition in Japan, there was a substantial gap between women and men, irrespective of age or employment status. In particular, the rate of transition to regular employment within the same company was much lower among women than among men. Temporary agency workers who are assigned to the client companies to work only for a limited period are less likely to find regular employment within the company where they are working and more likely to become non-working.

The paper entitled “Career Development Process, Starting with Non-Regular Workers: Based on an Analysis of Factors Determining the Transition from Non-Regular to Regular Employment, Including Promotion to Regular Employment within the Same Firm” explores the factors that divide workers’ career courses into two types: transitions from non-regular to regular employment and from one non-regular position to another, based on the results of a survey of the personal data of young people between the ages of 25 and 44. This study is based on the author’s awareness that the transition from school to work has become more uncertain in recent years, along with which more young people have become non-regular workers inferior in status to regular employees in terms of working conditions and access to capacity building opportunities, and that promoting the transition of non-regular workers to regular employment is a pressing issue. It attempts to engage in a quantitative analysis and review of the qualities companies emphasize when recruiting workers, by applying control variables relating to workers’ personal attributes and views and those relating to companies’ manpower demands. As a result, it was confirmed that the transition from non-regular to regular employment through movement between companies takes place less frequently for workers in their late 20s or older, whereas age does not act as a great hindrance to the transition to regular employment within the same company. It was also observed that off-the-job training experience while engaged in non-regular work and engagement in self education have great effects on the transition to regular employment. From these findings, the author of this paper proposes strengthening measures to broaden and increase the number of promotions to regular employment within companies, and enhancing consultation services for young people.

The paper entitled “Conversion of Non-Regular Employees into Regular Employees and Working Experiences and Skills Development of Non-Regular Employees at Japanese Companies” analyzes how the introduction of a system to convert non-regular employees into regular employees affects non-regular employees’ skills development, based on data collected through a questionnaire survey conducted on individual employees. The paper examines the hypothesis that companies with a system for converting non-regular employees into regular employees tend to assign jobs in a manner that encourages workers to build up their skills at the workplace, giving them greater opportunities for skills development. From the analysis, it can be concluded that if companies employing non-regular employees expand the opportunity for them to become regular employees by introducing such a system, many of the companies can not only increase the opportunity for non-regular employees to develop their career and skills in the long term through the conversion to regular employee status but also help them develop skills without conversion by gradually assigning them to a progressively wider range of jobs, jobs requiring more advanced skills and jobs with greater responsibility. In Japan, non-regular employees tend to have less of an opportunity to build up their skills compared with regular employees. If the system to convert non-regular employees into regular employees becomes widely adopted, this will work to broaden non-regular employees’ opportunities for skills development.

The papers in this edition introduce some of the latest empirical studies concerning the correlation between non-regular employment and vocational career. As mentioned above, non-regular employment is prevalent among a wide range of people in Japan. A number of themes remain to be studied, such as the issue of work-life balance and non-regular employment in workers’ careers during their child-rearing years and the relationship between the careers of the elderly and non-regular employment. Be that as it may, we hope that this edition will spark a deepened interest in and understanding of non-regular employment and vocational career in Japan.

Yoshihide Sano
Hosei University

Part-Time Work Experience of University Students and Their Career Development*

Tomoki Sekiguchi

Osaka University

This research utilized questionnaire survey data acquired from students at national universities in Japan to establish the relationship between qualitative aspects (job characteristics and behaviors in engaging in work) and quantitative aspects (hours worked) of *arubaito* (part-time work) held by university students, and their career development while at university. As a result of this research, the author demonstrates that students engaged in part-time work that involves a wide range of skills, and students who are proactive in their part-time workplaces, have higher levels of career development. Furthermore, an inverted U-shaped relationship was observed between the number of hours worked per week in part-time work and the level of career development, indicating that consideration of optimum working hours is important in career development. Additionally, students engaged in part-time work that requires a diverse range of skills have high levels of career development even with short working hours, indicating that the optimal working hours are shorter in this case. These results indicate that maintaining appropriate quality and working hours in regard to part-time work activities, which are part of daily life for most students, can play a vital role in both their career development and their school-to-work transition.

I. Introduction

Arubaito, or part-time work, is a common way for Japanese students to gain work experience. According to the 2006 Intelligence survey, 90% of Japanese university students have some experience of part-time work by the time they graduate. The reason most students begin part-time work is to earn money to pay for their leisure activities, but factors indicating an interest in work experience, such as “I wanted to try working” and “I wanted to learn about society” feature highly in responses (Intelligence 2007). Part-time work activities are an effective means by which students, who spend their lives commuting between home and school, can engage on a casual basis with corporate society and the world of employment, and as such they can smooth the school-to-work transition, and provide good opportunities to implement career development through work experience.

Additionally, it has been pointed out by Takeishi (2002) that the restaurants and retailers who make up the majority of employers for students in part-time jobs have for some time been increasing the number of part-time and non-regular employees they use, and that such non-regular employees are becoming the main labor force for such companies, being entrusted with work that is almost equivalent to that of regular employees. In other words,

* I thank Donghao Li for his help with data collection.

in some sectors, students employed for part-time work are becoming a valuable source of labor for companies. If the experience gained in part-time work allows students to develop their abilities and progress with career development, while at the same time raising productivity within their workplace, then the situation is beneficial both for the students and the company in question.

In general, part-time work tends to consist of simple tasks, and offers few opportunities for skills development of the sort offered to regular employees. As a result, some are of the view that part-time work does not facilitate the acquisition of experience and knowledge required to work as a regular employee. For students with little full-time work experience as members of society, however, the work experience provided by part-time work could be considered to provide opportunities to consider one's own suitability for future employment, and acquire the initial abilities and skills required to work as an adult (Sano 2004). Furthermore, within workplaces that increasingly use part-time employees as their main labor force, students may be given tasks that are similar to those required of regular employees, including, in some cases, leadership roles that require them to coordinate other part-time employees. These factors can be seen as contributing to skills development and career development through work experience (Takeishi 2002, Yamaguchi 2005). At the same time, adverse effects have been regularly noted in cases where a student works excessively long hours in part-time work, including a decline in academic results, and/or a negative impact on mental health (Bachman and Schulenberg 1993; Paschall, Ringwalt, and Flewelling 2002; Steinberg and Dornbush 1991).

Given that a large majority of students now have some sort of part-time job, it is no longer sufficient to ask whether merely engaging in part-time work is a positive factor in their career development. Rather, it is important to consider the qualitative aspects of part-time work experience (such as what types of part-time work are effective in the career development of students), and the quantitative aspects of part-time work (such as what are the optimum hours for part-time work). This research focuses on work attributes and behaviors in part-time work as the qualitative aspects of part-time work experience, and hours worked as the quantitative aspects of part-time work experience, in order to understand the relationship between the part-time work experience of university students, and their career development.

II. Literature Review

It is thought that a wide range of factors impact students' career development, and various research projects have been implemented in Japan to examine these. Research shows, for example, that from a developmental psychology perspective, differing levels of development of self-concept and self-efficacy in childhood, as well as values and other individual differences, can influence career development among students (Adachi 2004;

Umemura and Kanai 2006; Kusuoku 2005; Wakabayashi, Goto, and Shikanai 1983). From a perspective of career education and skills development, research has been carried out indicating a relationship between support for career development at school level and students' career development, as well as research showing that students' awareness of career issues rises after they attend lectures or seminars relating to career issues (Kirimura 2005; Moriyama 2007; JILPT 2008). There are also survey results that indicate the importance of regular lessons within universities, and external seminars or learning at preparatory schools geared towards the acquisition of qualifications (Anbo et al. 2008). From the perspectives of social studies and information-seeking, engagement with family, and relationships with friends and seniors at school are shown to have an impact on career development that relates to behavior when considering future paths and engaging in job hunting. If, for example, a student is strongly aware of their parents' expectations toward employment, these expectations will have an impact on behavior in regard to the student's consideration of his or her future career, as suggested in some research (Kawamura 2003; Yazaki 2006). Research suggests that friends and graduates of the university are others who can have a significant impact on decisions relating to future careers (Anbo et al. 2008; Shimomura and Hori 2004). In addition to part-time work, students can gain employment experience from work experience study, internships, volunteer and other activities. Recent research has included studies on the benefits of internships, demonstrating, for example, that students who have taken part in internships have a higher level of awareness for employment than those who have not done so, and that internships that included practical work experience were particularly beneficial (Kusuoku 2006; Matsuyama and Hida 2008).

Part-time work activities engaged in by students are considered alongside internships, etc., as a type of employment experience, but relatively little research has been done scrutinizing the impact of part-time work on a student's career development. Furthermore, there has been little positive agreement in regard to the impact of part-time work on career development. Survey results (Dentsu Ikueikai 2007) indicate that in comparison to volunteer activities, internships and participatory learning or practices, the level to which part-time work contributes to the acquisition of skills useful for career development is insignificant when students with experience of part-time work are compared to those without. Furthermore, it has been pointed out that experience of part-time work, whilst a student may lead to the choice to become a *freeter* (young people who lack full-time employment) after graduation, as an extension of the lifestyle enjoyed by the student, when part-time work activities provided a source of income (Kosugi 2001; Sugiyama 2007).

When considering the impact of part-time work on career development, it is important to consider not only whether or not the student has experience of part-time work, but also to understand the qualitative (details of work performed, and the student's behaviors in their work), and quantitative (hours worked in part-time job) aspects, in order to understand how part-time work experience is used in career development.

III. Hypotheses Development

This research takes the following variables in order to derive its hypotheses, with the purpose of examining the potential impact of type of work and behaviors in work (qualitative aspects: details of work performed, and attitude to engaging in work), and the hours spent in part-time work activities (quantitative aspect: hours worked in part-time job), both independently of one another, and in combination, on career development among university students.

1. Qualitative Aspects of Part-Time Work Experience

This research uses “skill variety” and “job autonomy” as the attributes of part-time work considered to impact the career development of university students. The research also uses “job crafting” as the behaviors of students to part-time work that is considered to impact career development.

(1) Skill Variety and Job Autonomy

Skill variety is an indicator for the extent to which a job requires an individual to use a variety of different skills to complete his/her work. The greater the skill variety, the greater the number of skills required in order to do the job (Hackman and Oldham 1976). In general, student part-time worker typically involves mainly standard, simple tasks, making it difficult for students to gain specialist skills, but it is thought that these include at least some of the basic skills required to work as a member of society (Sano 2004). For example, in addition to the skills required to complete the allocated tasks and knowledge of the industry in which the part-time work is done, students may obtain teamwork or leadership skills when they are placed in a working environment that requires them to work alongside other employees. They will also learn customer interaction skills and how to deal with customer complaints when they are engaged in customer service. Furthermore, in some cases students learn specialist, complex skills from their work, or skills relating to problem finding and problem solving through implementing improvements to their workflow. As a result, part-time work requiring a greater number of skills not only provides a greater number of opportunities to acquire specific knowledge and skills required as a member of society, but also broadens the perspective of the student in regard to the world of business and employment, thereby offering the student a high level of benefit for career development.

Job autonomy is defined as the extent to which the job provides substantial freedom, independence and discretion to the individual in carrying out his/her work. The higher the level of job autonomy, the more the individual is free to decide his/her own schedule, and method of carrying out the job. According to job design theory, a higher degree of job autonomy gives the worker more responsibility, which can lead to greater motivation and

productivity at work (Hackman and Oldham 1976). For this reason, when a university student engages in part-time work in which there is a high degree of autonomy, their sense of responsibility for their work will be increased, which is likely to raise the possibility that they will acquire the necessary skills and gain awareness relating to employment, such as the need to abide by rules, etc. In addition, since a higher degree of job autonomy provides opportunities for the student to think for themselves about how to do their job and manage their schedule, this autonomy can be expected to provide a range of opportunities to acquire a range of knowledge and experience within a creative process. As a result, engaging in part-time work that has a high degree of job autonomy is thought to contribute significantly to the career development of university students.

(2) Job Crafting

The proactivity of students engaging in part-time work is considered particularly important when thinking about behaviors towards engaging in part-time work. Proactivity is something that is currently particularly desired of young people in the workforce, regardless of whether it applies to part-time or full-time work. Within this research, one type of behavior engaged in proactively by students within part-time work activities is “job crafting.” Job crafting is a concept that was defined by Wrzesniewski and Dutton (2001) as “the physical and cognitive changes individuals make in the task or relational boundaries of their work,” and it is one of the factors for ascertaining how individual employees design their work proactively.

According to Wrzesniewski and her colleagues, job crafting can be categorized broadly into three types of behavior. The first is “task crafting,” which involves “changing the job’s task boundaries (e.g. the number, scope or types of tasks done at work).” The second is “relational crafting,” which involves “changing the relational boundaries of the job (e.g. the quality and/or amount of interaction with others at work).” The third is “cognitive crafting,” which involves “changing the cognitive task boundaries of the job (e.g. the meaning and significance of the job)” (Berg, Dutton, and Wrzesniewski 2008; Berg, Wrzesniewski, and Dutton 2010; Wrzesniewski and Dutton 2001). When applied to part-time work done by university students, the addition of new tasks to the task originally set, and the improvement of efficiency and adding of value to one’s work through consideration of the order in which tasks are done, and care in scheduling, equates to the first behavior; interacting with many other employees and related persons in order to improve work flow, or being considerate of or accommodating people related to the job equates to the second; and working to discover the meaning and significance of work, and investing emotional energy into work, rather than considering part-time work as a mere time transaction, equates to the third.

University students who engage proactively in job crafting in part-time work activities can not only be expected to improve the productivity of their workplace through attempts to implement improvements, they can also be expected to benefit from learning a

range of things that will develop their careers. For example, thinking of ways to improve the workflow of a part-time job increases opportunities to gain problem solving and other new skills. Furthermore, broadening the base of relationships relating to work, and encouraging others to get involved in the way one works provides opportunities to extend one's perspective on business and the world of employment, as well as acquiring interpersonal skills, and negotiation and management abilities. Furthermore, discovering new significance within one's work, and working to improve one's own motivation and sense of worth within the job, may improve the student's affirmative view of future work and employment, and raise confidence. In this way, job crafting within part-time work brings a range of learning benefits that relate to future careers, including diverse work knowledge and skills, a proactive attitude to employment, etc.

2. Quantitative Aspects of Part-Time Work Experience

This research takes the number of hours worked in part-time job per week as the quantitative aspect of part-time work experience that impacts career development. In order for part-time work experience to be beneficial in career development, it may be necessary for a certain amount of time to be spent at work. It may not, however, be expected that these benefits simply increase the longer the hours worked. Since part-time work tends to involve relatively standard, simple work, there is a ceiling to the knowledge and skills that can be acquired, and once a certain amount of skills development has been achieved through working a fixed amount of time in part-time work, it is considered that the student will have learned all he/she is able to. In addition to this, working long hours in part-time work brings with it some potential harmful effects. Obviously a student's career development is not dependent solely on part-time work experience. It also takes place as a result of attendance at class and other aspects of student life. Spending long hours in part-time work reduces opportunities to spend time in other activities, and may lead to students losing other opportunities for career development. The relationship between the number of hours worked in part-time job per week and the career development of a university student, shows that to a certain point, the level of career development rises with longer working hours, but that working longer hours above this point can in fact have a proportionally negative impact on career development, resulting in an inverted U-shaped curve. In other words, it is thought that there is an optimum amount of time to be spent on part-time work in order for it to be useful in career development.

The inverted U-shaped relationship between the time spent in part-time work and career development is impacted by the details of the job done and the behaviors of the student engaging in work. Firstly, the relationship between the level of skill variety in the part-time job and career development is notable when a lower number of hours are worked per week. As has already been discussed, when a wide range of skills is required for the job, even students working only a small number of hours are considered to have the opportunity to learn

specific knowledge and skills, and to broaden their perspective in regard to work, but when the part-time work is not considered to be particularly specialized, the career-related learning benefits associated with skill variety will not simply increase relative to longer working hours. Conversely, career-related learning benefits for students may actually be reduced with longer working hours, or they may cease as a result of the ceiling effect. In other words, when considering the inverted U-shaped relationship between working hours and career development, the higher the level of skill variety, the shorter the optimum working hours at a part-time job will be. On the other hand, since in part-time work with low levels of skill variety, shorter hours spent at work provide few career development benefits, the optimum number of working hours will be longer than in jobs with high skill variety.

At the same time, the relationship between job autonomy or job crafting and career development is more significant in cases where a longer number of hours are worked per week. Students doing highly autonomous work, or who engage proactively in their part-time work, and who implement creative measures or trial-and-error will require a certain amount of time to pass before their actions bear fruit, and they see the learning benefits. Students who are active beyond the boundaries of the tasks allocated to them, through highly autonomous work and/or job crafting, not only learn the skills required to undertake the work required of them, but also face a greater scope of learning opportunities regarding the work being done around them and the frameworks used in the workplace as a whole, as well as building relationships with a broad range of people, and therefore are able to learn more when they work longer hours. For this reason, when assuming an inverted U-shaped curve in the relationship between hours spent in part-time work and career development, it is anticipated that in jobs with a higher degree of autonomy and job crafting, the working hours considered optimum for career development will shift towards being longer.

3. Level of Career Development

This research focuses on the following points in order to consider the level of career development of university students through part-time work and other student activities. Firstly, it focuses on “employment commitment,” as the extent to which students prioritize being hired into professions, or by organizations, of their choice. Commitment to working in a preferred profession, or being hired by a preferred organization is thought to regulate students’ motivation in considering their future and engaging in job-seeking activities (Stumpf, Colarelli, and Hartmen 1983). When a student is able to gain a view of the world of employment through part-time work, and at the same time develop their own perspective of work and employment, their employment commitment is likely to rise. On the other hand, students who consider part-time work as merely a time transaction with the aim of gaining income, and do not think beyond the immediate comfort it brings, will not gain improved employment commitment. This situation may impact their career development for gaining regular employment after graduation.

Next, we focus on “proactive career behavior.” Claes and Ruiz-Quintanilla (1998) categorize behavior that is proactive in regard to career development into the following four types: (i) proactive skill development for one’s future career, (ii) proactive networking among people who may be helpful in one’s future career path, (iii) proactively seeking consultation from friends at university and teaching staff, etc., and (iv) career planning for the future. As has already been discussed, a proactive approach to day-to-day activities, and the autonomous determination to forge one’s own career path, are attributes strongly required of adults in today’s world. Furthermore, there is no room for doubt that the greater the number of opportunities to plan careers and obtain advice, and achieve specific growth in areas such as skills development and networking for future employment, the more advantageous it is for career development.

In addition to this, the research looks at “focus of career exploration,” as the extent to which a student narrows down the type of work they would like to do or the target organization by which they would like to be employed. Part-time work and other activities engaged in by students allow them to understand their own attributes, and to learn about the world of work, which allows them to form a view of employment based on what sort of profession and organization they might be suited to. In other words, they are able to focus their career exploration by themselves. Achieving a focus of career exploration facilitates students in deciding on their future direction, and clarifying the specialist knowledge and skills they need to acquire. Students who have focused on a career are reported to receive job offers at an earlier stage, and it is said that this sort of employee is sought after by companies (Ukai 2007; Taniuchi 2005).

Finally, the research focuses on self-efficacy in careers. Self-efficacy is a central concept in Bandura’s (1977) social cognitive theory, and indicates an individual’s ability and confidence to calculate and engage in appropriate behavior under specific circumstances. According to social cognitive theory, people with higher levels of self-efficacy are more persistent, work harder, and are able to cope with a certain amount of difficulty. They can also utilize their own abilities to work even harder. This research analyzes self-efficacy in relation to university students’ careers firstly through “self-efficacy in group-member proficiency” (whether or not the subject has the confidence to cooperate with others in the workplace once he/she becomes a working member of society) and secondly through “job search self-efficacy” (the confidence required to engage effectively with immediate job-seeking activities). As students acquire employment skills through part-time work and other student activities, their understanding of the “workplace” deepens, and providing they can thereby develop a high level of self-efficacy with regard to the work they would like to do in their future workplace, and immediate job-seeking activities, they will maintain motivation in considering future plans and job-seeking activities, and will not be easily discouraged despite a certain amount of difficulty or loss, but will rather be tenacious enough to continue to work through such things (Ohta, Tabata, and Okumura 2006). In fact, there is a significant quantity of research that shows self-efficacy in relation to selecting a career path and

job-seeking activities can be linked to job-seeking behavior, job-seeking efforts, and success in finding employment (Eden and Aviram 1993; Kanfer and Hulin 1985; Saks and Ashforth 1999, 2000).

Based on discussions this far, a questionnaire survey was conducted to examine the relationship between the qualitative and quantitative aspects of part-time work engaged in by university students, and the indicators for level of career development. Specifically, the following hypotheses were tested.

Hypothesis 1: University students engaging in part-time work with higher levels of skill variety will demonstrate a higher level of career development.

Hypothesis 2: University students engaging in part-time work with higher levels of job autonomy will demonstrate a higher level of career development.

Hypothesis 3: University students engaging in higher levels of job crafting within their part-time jobs will demonstrate a higher level of career development.

Hypothesis 4: The relationship between hours worked in part-time job by university students and career development will show an inverted U-shaped curve.

Hypothesis 5: The relationship between the level of skill variety in a part-time job and the level of career development will be more significant the shorter the number of hours worked per week.

Hypothesis 6: The relationship between the level of job autonomy in the part-time work, and job crafting, to the level of career development, will be more significant the longer the number of hours worked per week.

IV. Methods

1. Procedure

In order to test our hypotheses, a questionnaire-based survey was conducted of university students attending lectures in the economics departments of two national universities in the west of Japan. The questionnaire did not feature any questions relating to personal information about the students, and respondents' anonymity was maintained. Of the 210 applicable students in two universities, 190 returned questionnaires, giving a 90% response rate. Of these, fourth year students who were already engaged in or had completed job-seeking activities were excluded from analysis because the analysis includes variables assuming a state before job-seeking activities began, and because it was anticipated that in cases where future employment was already settled, this would have a significant impact on the contents of the responses. As a result of this, data from 123 people's responses was used as the sample for analysis. Of the sample, 97.2% were third year university students, of whom 67.0% were male and 33.0% female. The average age of respondents was 21.1 years (standard deviation = 2.2). 94.3% of students had an cumulative experience of 1 month or

more in part-time work, with the average length of experience being 20.3 months (standard deviation = 14.6), and at or immediately around the date of the survey, students were engaged in an average of 12.5 hours (standard deviation = 8.6) per week of part-time work. The main types of work engaged in were restaurant work (34.1%), specialist (preparatory school teachers, etc.) (13.8%), retail (15.4%), customer service (7.3%), light work/logistics (2.4%), administration (1.6%), medical/welfare (0.8%) and “other” (24.6%).

2. Measures

The following types of independent variables, dependent variables and control variables were measured in the questionnaire. All items comprised of independent and dependent variables were responded to using the seven-point Likert scale (1: Strongly disagree to 7: Strongly agree). Other than the job crafting scale, which was created newly for this research, all scales used were Japanese translations of English scales used in previous research.

(1) Independent Variables

Skill variety in part-time work was measured with four items used by Morgeson and Humphrey (2006). A sample item was “The job requires me to utilize a variety of different skills in order to complete the work.” Chronbach’s alpha was 0.89. The level of job autonomy was measured with three items originally developed by Hackman and Oldham (1980), and later modified by Idasak and Drasgow (1987). A sample item was “The job allows me to make a lot of decisions on my own.” Chronbach’s alpha was 0.82.

The scale for job crafting was created specially for this project. Based on the three-dimensional definition of job crafting by Wrzesniewski and Dutton (2001) (changing the job’s task boundaries, changing the relational boundaries, and changing the cognitive task boundaries), the author created two items for task crafting (“Add new tasks in order for my job to be conducted smoothly” and “Change the content and/or procedure of my job to make it more desirable”), three items for relational crafting (“Actively interact with people through my job,” “Increase the number of people with whom I interact through my job” and “Understand the situations of people who interact with me through my job, and take them into consideration when performing the job”), and three items for cognitive crafting (“Reframe my job as a significant and meaningful one,” “View my job as an integrated whole rather than as a set of discrete tasks” and “Reframe the purpose of my job as socially significant”), to give a total of eight items. Chronbach’s alpha for each of these dimensions was 0.67, 0.75 and 0.80, respectively.

(2) Dependent Variables

Employment commitment was measured with three items from the Importance of Obtaining Preferred Position Scale, in the Career Exploration Survey (CES) developed by Stumpf, Colarelli, and Hartman (1983). A sample item was “It is important to me to work in

the occupation I prefer.” Chronbach’s alpha was 0.85.

Proactive career behavior was measured with nine items adopted from Claes and Ruiz-Quintanilla (1998). This scale includes four types of proactive behavior—skills development, network formation, consultation regarding future career, and career planning. Sample items were “I have developed skills which may be needed in future positions” and “I have built a network of contacts or friendship with classmates or other people to provide me with help or advice that will further my work chances.” Chronbach’s alpha was 0.89.

Focus of career exploration was measured with two items taken from Stumpf, Colarelli, and Hartman (1983)’s CES Focus Scale. A sample item was “I am sure that I know the type of job that is best for me.” Chronbach’s alpha was 0.79.

Self-efficacy in team-member proficiency was measured with three items developed to measure group-member proficiency by Griffin, Neal, and Parker (2007). These items were used to enquire about the level of the respondent’s confidence about their ability to do their job successfully as a member of their workplace after graduation. A sample item was “Coordinate my work with co-workers.” Chronbach’s alpha was 0.79.

Job search self-efficacy was measured with five items developed by Vinokure, Price and Caplan (1991) in order to enquire into the level of confidence regarding future job-seeking activities. A sample item was “I feel confident about making the best impression in interviews.” Chronbach’s alpha was 0.89.

(3) Control Variables

The control variables used in analysis were gender (dummy variable), age, experience of part-time work (number of months), hours worked in part-time job per week (also used as an independent variable in interaction analysis), difference in university (dummy variable), school marks, rate of attendance at lectures, and type of part-time job. School marks and rate of attendance at lectures were assessed through self-reporting of the student’s average score to date at university (out of 100), and their rate of attendance. The type of part-time work utilized a dummy variable for each part-time work category shown on the questionnaire.

V. Results

1. Factor Analysis

The three types of independent variable (15 categories) and the four types of dependent variable (21 categories) used in this research were factor analyzed through the principal axis factoring with varimax rotation.

Five factors with eigenvalues of 1.0 or above were extracted from the items for independent variables explaining 75.01% of the total variance. The first factor was skill variety,

the second was job autonomy, and the third to fifth factors were the lower-order dimensions of job crafting (task crafting, relational crafting and cognitive crafting), making possible an interpretation as expected. As a result, mean scores of items were used for skill variety and job autonomy, while the mean score of all items including the three lower-order dimensions were used for job crafting.

Four factors with eigenvalues of 1.0 or above were extracted from the items for dependent variables, which explained 70.11% of the total variance. The first factor was proactive career behavior, the second was job search self-efficacy, the third was self-efficacy in team-member proficiency, the fourth was employment commitment and the fifth was the focus of career exploration, which made possible interpretation almost entirely as expected. Proactive career behavior was considered to have four dimensions, but this was interpreted as one-dimensional in factor analysis. As a result, the mean scores of items were used for job search self-efficacy, self-efficacy in team-member proficiency, employment commitment and the focus of career exploration, while the mean score of all items including the four lower-order dimensions were used for proactive career behavior.

2. Hypotheses Testing

Table 1 shows the averages, standard deviations and correlations for variables used in analysis. When looked at from the perspective of elements that are not directly related to the impact on dependent variables, a significant correlation can be seen between part-time work experience (number of months) and job autonomy and/or job crafting, indicating that students with greater work experience tend to take part-time jobs with a higher level of autonomy, and are more likely to engage frequently in job crafting. The number of hours worked per week also showed a significant correlation to job crafting, indicating that students who work longer hours in part-time work have a higher frequency of job crafting.

Next, in order to test hypotheses 1-3, hierarchical multiple regression analysis was carried out on each of the dependent variables relating to career development. The results are shown in Table 2.

In the first step of the hierarchical multiple regression analysis, only control variables were entered (models 1, 3, 5, 7, 9), while skill variety, job autonomy and job crafting were entered in the second step (models 2, 4, 6, 8 and 10).

Although it does not directly relate to this research, it is worth noting that in step 1, school marks have a significant positive impact ($p < .05$) on the focus of career exploration and self-efficacy in team-member proficiency, and a marginally significant positive impact ($p < .10$) on proactive career behavior, indicating that a serious attitude to participation in university studies is useful in career formation. In addition to this, age demonstrated a significant positive impact on both focus of career exploration and job search self-efficacy, and part-time work experience (number of months) also demonstrated a significant impact on focus of career exploration. Since age and part-time work experience demonstrate a high

Table 1. Means, Standard Deviations, Correlations for Variables Used in Analysis

	Average	Standard deviation	1	2	3	4	5	6
1. Skill variety	4.118	1.271						
2. Job autonomy	4.412	1.298	.103					
3. Job crafting	4.475	0.858	.503 **	.336 **				
4. Employment commitment	5.059	0.890	.020	.018	.232 *			
5. Proactive career behavior	4.110	1.088	.354 **	.029	.423 **	.234 *		
6. Focus of career exploration	4.208	1.163	.325 **	-.050	.200 *	.230 *	.416 **	
7. Self-efficacy in team-member proficiency	5.059	0.890	.127	-.028	.261 **	.289 **	.292 **	.452 **
8. Job search self-efficacy	3.981	1.165	.370 **	-.020	.387 **	.214 *	.619 **	.534 **
9. Gender (Male=1, Female=0)	0.675	0.470	-.046	-.035	-.102	-.060	-.085	-.021
10. Age	21.050	2.166	-.016	-.039	.113	.045	-.100	.342 **
11. Part-time work experience (months)	20.287	14.580	.125	.305 **	.227 *	.037	.058	.082
12. Hours worked in part-time job (per week)	12.458	8.632	.119	.193	.279 **	.016	.134	-.032
13. University (1, 0)	0.577	0.496	-.082	.147	-.077	-.001	-.233 **	-.040
14. School marks	69.966	12.460	.176 +	.114	.188 +	.098	.226 *	.160
15. Rate of attendance at class	73.161	19.883	.166 +	.068	.079	-.017	.094	.007
	7	8	9	10	11	12	13	14
1. Skill variety								
2. Job autonomy								
3. Job crafting								
4. Employment commitment								
5. Proactive career behavior								
6. Focus of career exploration								
7. Self-efficacy in team-member proficiency								
8. Job search self-efficacy	.497 **							
9. Gender (Male=1, Female=0)	.054	.137						
10. Age	.037	.271 **	.017					
11. Part-time work experience (months)	-.002	.156	-.013	.631 **				
12. Hours worked in part-time job (per week)	.031	.112	-.054	.210 *	.385 **			
13. University (1, 0)	.035	-.184 +	.038	.060	-.105	-.218 *		
14. School marks	.113	.257 **	-.015	.048	.010	-.015	-.018	
15. Rate of attendance at class	-.101	.191 *	-.092	.065	-.028	-.119	-.123	.634 **

Note: ** p < .01, * p < .05, † p < .10.

Table 2. Results of Hierarchical Multiple Regression Analysis (Main Effects of Independent Variables)

	Employment commitment		Proactive career behavior		Focus of career exploration		Self-efficacy in team-member proficiency		Job search self-efficacy	
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9	Model 10
	(β)	(β)	(β)	(β)	(β)	(β)	(β)	(β)	(β)	(β)
Gender dummy	-0.057	-0.039	-0.047	-0.017	-0.039	-0.026	-0.007	0.021	0.167 +	0.194 *
Age	-0.049	-0.069	-0.196	-0.219	0.483 **	0.626 **	-0.024	-0.044	0.336 *	0.361 *
Part-time work experience (months)	0.080	0.063	0.165	0.146	-0.180	-0.360 *	0.046	0.011	-0.115	-0.184
Hours worked in part-time job (per week)	-0.078	-0.100	-0.016	-0.062	-0.083	-0.149	0.088	0.051	0.059	0.003
University dummy	0.126	0.126	-0.153	-0.122	-0.119	-0.169 +	0.004	0.003	-0.201 +	-0.193 +
School marks	0.157	0.132	0.254 +	0.187	0.334 **	0.288 *	0.392 **	0.350 **	0.202	0.137
Rate of attendance at class	-0.163	-0.133	-0.110	-0.105	-0.221 +	-0.287 *	-0.221	-0.186	0.036	0.023
Type of employment dummy										
Restaurant	0.061	0.025	0.139	0.052	0.142	0.116	0.064	0.008	0.167	0.092
Retail	0.033	0.049	0.117	0.136	0.176	0.239 *	0.039	0.065	0.057	0.092
Customer service	-0.066	-0.069	0.115	0.092	0.149	0.148	0.080	0.074	0.028	0.011
Light work/logistics	0.054	0.120	-0.058	-0.050	0.221 +	0.251 *	0.369 **	0.458 **	0.004	0.023
Administration	0.093	0.076	0.042	0.007	-0.063	-0.073	-0.064	-0.091	-0.150	-0.180 *
Specialist	-0.161	-0.148	-0.080	-0.099	0.084	0.073	0.078	0.093	0.118	0.101
Medical/welfare	-0.028	-0.016	0.027	0.031	0.048	0.066	-0.193	-0.175 +	0.027	0.036
Skill variety		-0.083		0.169		0.361 **		-0.07		0.229 *
Job autonomy		-0.011		-0.134		0.187 +		-0.016		-0.045
Job crafting		0.279 *		0.331 **		0.048		0.398 **		0.278 *
R2	0.072	0.119	0.182	0.335	0.284	0.443	0.209	0.312	0.247	0.403
Δ R2		0.047		0.153		0.159		0.104		0.156
F for model change		1.482		6.368 **		7.895 **		4.168 **		7.208 **

Note: ** $p < .01$, * $p < .05$, + $p < .10$.

level of correlation, it can be assumed that maturity factors from increasing age, and factors relating to the accumulation of experience in part-time work, both have an impact on the progress of career development. Gender appears to have a significant impact on job search self-efficacy, with males demonstrating a higher level of self-efficacy in job-seeking activities than females.

In terms of the main effects of independent variables in step 2, skill variety was shown to have a significant positive impact on both focus of career exploration and job search self-efficacy ($p < .01$ and $p < .05$, respectively). Other than focus of career exploration, all dependent variables had a significant positive impact of either $p < .01$ or $p < .05$ level on job crafting. This lends support for hypothesis 1, and strongly supports hypothesis 3. In contrast to this, job autonomy did not demonstrate a significant impact on any dependent variable, and so hypothesis 2 was not supported.

Next, hierarchical multiple regression analysis was performed to test hypotheses 4-6. The results are shown in Table 3.

In step 1 of the hierarchical multiple regression analysis, only control variables were entered, making it the same as the step 1 of testing hypotheses 1-3 (shown in Table 3). In step 2, the squared term of the time spent in part-time work was entered into the regression in order to test whether or not time creates a curvilinear impact. In step 3, skill variety, job crafting, and job autonomy, and their interactions with the time spent in part-time work were added to the regression.

Firstly, in terms of the curvilinear relationship between the time spent in part-time work and career development, when proactive career behavior and self-efficacy in team-member proficiency are used as dependent variables, a significant negative effect of squared term was found ($p < .05$), and when focus of career exploration was used as the dependent variable, a marginally significant negative effect of squared term was detected ($p < .10$). Figure 1 shows the estimated relationship between the time spent in part-time work and these dependent variables. As can be seen from Figure 1, the relationship between working hours and these dependent variables shows an inverted U-shaped curve, indicating that working between 12 and 18 hours in part-time work per week maximizes the levels of dependent variables. This supports hypothesis 4. Next, a significant negative interaction between working hours and skill variety was found for employment commitment ($p < .05$), proactive career behavior ($p < .01$), and job search self-efficacy ($p < .01$), and the interaction was marginally significant for self-efficacy in team-member proficiency ($p < .10$). Figure 2¹ shows the estimated curvilinear relationships (inverted U-shaped curves) between the time spent in part-time work and proactive career behavior as an example at high and low levels of skill variety, demonstrating a significant interaction between working hours and skill variety. From Figure 2, it can be seen that the increased proactive career behavior in students

¹ Based on the methods devised by Aiken and West (1991), estimated values for dependent variables at one standard deviation above and below the mean of job characteristics are shown on the graph.

Table 3. Results of Hierarchical Multiple Regression Analysis (Curvilinear Effects and Interactions)

	Employment commitment				Proactive career behavior			
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
	(β)	(β)	(β)	(β)	(β)	(β)	(β)	(β)
Gender dummy	-0.056	-0.074	-0.064	-0.052	-0.033	-0.059	-0.033	-0.018
Age	-0.050	-0.114	-0.003	-0.088	-0.212	-0.275 *	-0.250	-0.226 +
Part-time work experience (months)	0.070	0.093	0.014	-0.001	0.067	0.069	0.108	0.025
Hours worked in part-time job (per week)	-0.003	1.334	-0.877	-1.699 *	0.759 *	2.873 **	0.717	-0.244
University dummy	0.128	0.229	0.096	0.167	-0.129	0.035	-0.104	-0.120
School marks	0.163	0.094	0.196	0.179	0.312 *	0.163	0.316 *	0.278 *
Rate of attendance at class	-0.169	-0.131	-0.217	-0.168	-0.176	-0.136	-0.176	-0.146
Type of employment dummy								
Restaurant	0.054	0.043	0.085	-0.002	0.066	0.032	0.053	0.023
Retail	0.027	0.005	0.042	0.001	0.051	0.038	0.032	0.074
Customer service	-0.073	-0.145	-0.021	-0.020	0.050	-0.072	0.044	0.086
Light work/logistics	0.058	0.093	-0.055	-0.018	-0.012	0.016	-0.056	-0.011
Administration	0.088	0.084	0.103	0.055	-0.003	-0.013	-0.008	-0.024
Specialist	-0.162	-0.188	-0.085	-0.154	-0.082	-0.144	-0.084	-0.072
Medical/welfare	-0.029	-0.036	-0.019	-0.010	0.017	0.007	0.009	0.039
Square of hours worked in part-time job (per week)	-0.073	-0.248	-0.059	0.049	-0.755 *	-0.958 **	-0.795 **	-0.517 +
Skill variety		0.640 *				1.282 **		
Hours worked in part-time job \times skill variety		-1.382 *				-2.304 **		
Job autonomy			-0.273				-0.135	
Hours worked in part-time job \times job autonomy			0.955				0.102	
Job crafting				-0.274				0.093
Hours worked in part-time job \times job crafting				1.787 +				0.833
R2	0.072	0.126	0.092	0.152	0.244	0.462	0.251	0.333
Δ R2	0.001	0.054	0.020	0.080	0.063	0.218	0.006	0.088
F for model change	0.053	2.582 +	0.919	3.962 *	7.036 *	16.807 **	0.352	5.548 **

	Focus of career exploration				Self-efficacy in team-member proficiency			
	Model 9	Model 10	Model 11	Model 12	Model 13	Model 14	Model 15	Model 16
	(β)	(β)	(β)	(β)	(β)	(β)	(β)	(β)
Gender dummy	-0.031	-0.032	-0.044	-0.020	0.005	-0.007	-0.004	0.018
Age	0.474 **	0.515 **	0.586 **	0.462 *	-0.037	-0.075	0.011	-0.055
Part-time work experience (months)	-0.241	-0.290 *	-0.372 *	-0.273 +	-0.039	-0.031	-0.099	-0.085
Hours worked in part-time job (per week)	0.402	0.807	-0.991	-0.349	0.766 *	1.734 **	-0.355	-0.315
University dummy	-0.105	-0.066	-0.181 +	-0.097	0.024	0.098	-0.010	0.038
School marks	0.370 **	0.284 *	0.422 **	0.347 *	0.443 **	0.384 **	0.487 **	0.418 **
Rate of attendance at class	-0.262 *	-0.285 *	-0.340 **	-0.242 +	-0.278 *	-0.255 +	-0.339 *	-0.254
Type of employment dummy								
Restaurant	0.096	0.065	0.159	0.064	0.000	-0.011	0.036	-0.043
Retail	0.135	0.165	0.178	0.151	-0.018	-0.029	-0.005	-0.004

Customer service	0.108	0.075	0.198 +	0.135	0.023	-0.031	0.086	0.061
Light work/logistics	0.250 *	0.216 *	0.105	0.249 *	0.409 **	0.428 **	0.252 +	0.398 **
Administration	-0.092	-0.098	-0.063	-0.107	-0.104	-0.108	-0.087	-0.126
Specialist	0.083	0.042	0.211 +	0.090	0.077	0.053	0.174	0.086
Medical/welfare	0.042	0.040	0.066	0.058	-0.201 *	-0.206 *	-0.191 +	-0.180 +
Square of hours worked in part-time job (per week)	-0.473 +	-0.406	-0.413	-0.302	-0.661 *	-0.771 *	-0.655 *	-0.450
Skill variety		0.637 **				0.525 *		
Hours worked in part-time job × skill variety		-0.616				-1.028 +		
Job autonomy			-0.321				-0.386	
Hours worked in part-time job × job autonomy			1.469 *				1.242 +	
Job crafting				0.058				0.031
Hours worked in part-time job × job crafting				0.634				0.960
R2	0.309	0.438	0.373	0.356	0.257	0.292	0.289	0.336
ΔR2	0.025	0.129	0.064	0.047	0.048	0.035	0.032	0.079
F for model change	3.024 +	9.570 **	4.206 *	3.047 +	5.487 *	2.046	1.862	5.009 **

	Job search self-efficacy			
	Model 17 (β)	Model 18 (β)	Model 19 (β)	Model 20 (β)
Gender dummy	0.175 +	0.166 +	0.167 +	0.196 *
Ag	0.327 *	0.337 *	0.355 *	0.331 *
Part-time work experience (months)	-0.172	-0.205	-0.208	-0.19
Hours worked in part-time job (per week)	0.510	1.418 *	-0.412	0.089
University dummy	-0.188 +	-0.112	-0.207 +	-0.199 +
School marks	0.236 +	0.132	0.272 *	0.168
Rate of attendance at class	-0.002	-0.005	-0.051	0.045
Type of employment dummy				
Restaurant	0.124	0.093	0.149	0.094
Retail	0.019	0.036	0.024	0.075
Customer service	-0.009	-0.069	0.04	0.012
Light work/logistics	0.031	0.016	-0.109	0.088
Administration	-0.176 +	-0.183 +	-0.164	-0.186 +
Specialist	0.117	0.07	0.194	0.127
Medical/welfare	0.021	0.017	0.027	0.043
Square of hours worked in part-time job (per week)	-0.439	-0.453 +	-0.447	-0.138
Skill variety		0.820 **		
Hours worked in part-time job × skill variety		-1.11 *		
Job autonomy			-0.354	
Hours worked in part-time job × job autonomy			1.038	
Job crafting				0.350
Hours worked in part-time job × job crafting				0.077
R2	0.268	0.403	0.290	0.367
ΔR2	0.021	0.135	0.022	0.098
F for model change	2.462	9.362 **	1.262	6.531 **

Note: ** $p < .01$, * $p < .05$, † $p < .10$.

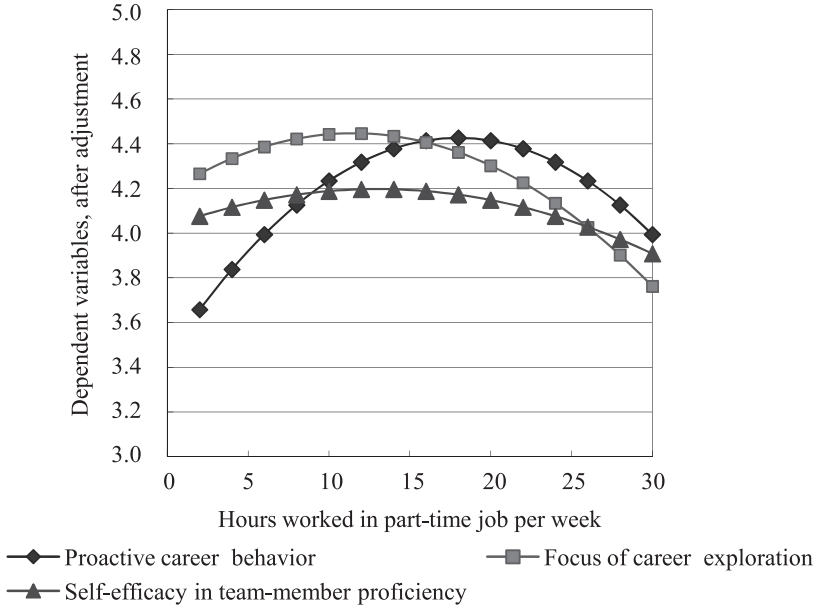


Figure 1. Curvilinear Relationship between the Time Spent in Part-Time Work and Career Development

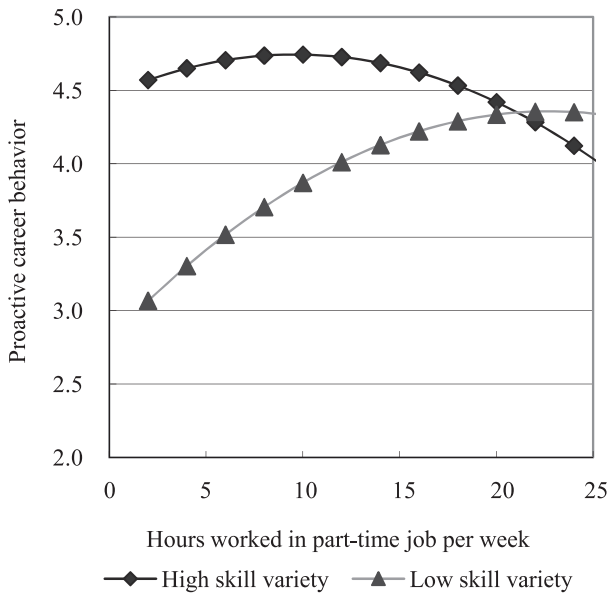


Figure 2. Interaction between the Time Spent in Part-Time Work and Skill Variety

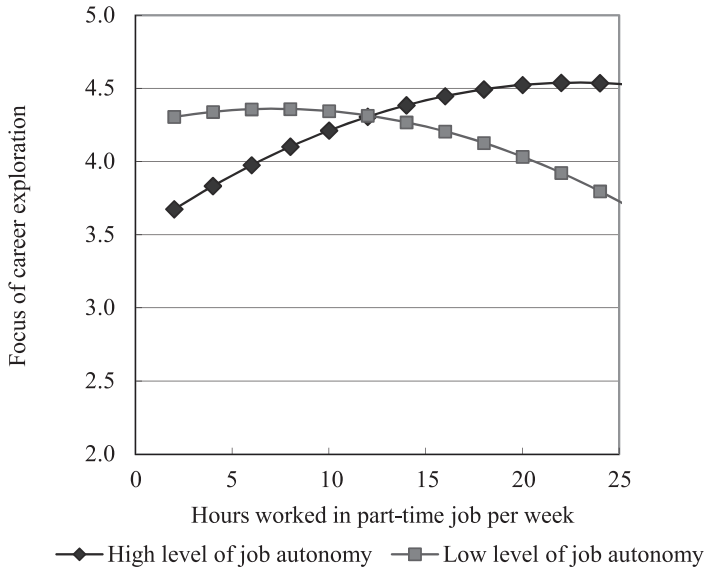


Figure 3. Interaction between the Time Spent in Part-Time Work and Job Autonomy

engaging in part-time work with high levels of skill variety is particularly significant in students with shorter working hours. When students are engaging in part-time work with high levels of skill variety, benefits in career development are seen within a relatively short time and the optimum working hours are also relatively short, but for students engaging in part-time work with low levels of skill variety, there may be few benefits in terms of career development in working short hours, indicating that the optimum working hours for such students are longer. Similar patterns are seen in other significant interactions.² This supports hypothesis 5.

A marginally significant positive interaction between the time spent in part-time work and job crafting was found only in the case of employment commitment ($p < .10$), and not for other variables. A significant or marginally significant positive interaction between working hours and job autonomy was found with focus of career exploration ($p < .05$) and self-efficacy in team-member proficiency ($p < .10$). Figure 3 shows estimated curves at high and low levels of job autonomy for focus of career exploration. From Figure 3, it can be seen that students working long hours in jobs with high levels of autonomy tend to demonstrate higher levels of focus of career exploration. In jobs with high levels of job autonomy, slightly longer working hours are effective in career development, and therefore the optimum time spent on part-time work is relatively long, but in jobs with low levels of job autonomy, there are few benefits in career development even with longer working hours, in-

² Since the inverted U-shape was not significant for employment commitment, the discussion of optimum working hours does not apply in the case of employment commitment.

dicating that optimum working hours are shorter. Similar patterns were seen in relation to self-efficacy in team-member proficiency. These results appear to support hypothesis 6. However, if the number of significant interactions is taken into consideration, it must be said that hypothesis 6 has not been strongly supported.

VI. Discussion

1. Summary of Results

Results of the analysis demonstrated that (i) a direct relationship can be seen between skill variety and job crafting of the part-time jobs engaged in by university students, and their level of career development, (ii) there is an inverted U-shaped relationship between the number of hours worked per week and career development, and (iii) the shape of the curved relationship between the number of hours worked per week and career development, and optimum working hours, vary depending on differences in the levels of skill variety and job autonomy in the part-time job.

From this, it can be inferred that both qualitative and quantitative aspects of part-time work have an impact on students' career development, whether independently or in combination. Specifically, engaging in part-time work with high levels of skill variety, and being proactive in engaging with part-time work, are thought to be important elements in both career learning and career development. The results of this analysis indicate, however, that merely engaging in part-time work with a high level of job autonomy may not be a factor in promoting career development. Next, in terms of the relationship between students' working hours and career development, there is no simple relationship between increasing or decreasing working hours. Career development benefits increase with working hours to an extent, but in fact decrease beyond a certain point. This demonstrates that there is an optimum number of working hours for students engaging in part-time work. This does not, however, mean that there is a single optimum amount of time that students should spend in part-time work, regardless of the contents of the job they are doing. As can also be seen from interaction analysis results, depending on the details of their work, optimum working hours are shorter for students in jobs where learning effects are apparent within a short period, but there are also cases in which no career benefits can be expected unless working hours are comparatively longer.

2. Implications

This research has demonstrated that part-time work, which is so common among university students, can offer valuable opportunities for career development, depending on the type of work selected and the level of student's proactivity in their work. The results of this research do not, of course, suggest that part-time work experience will unconditionally assist career development. In order for part-time work experience to be useful in this way, it is

important to consider the contents of the work being done, the proactivity with which the student approaches his/her work, and the optimum number of hours to be worked. When students engage in part-time work, they should be aware that it offers them valuable opportunities for career development. They need to engage positively with these opportunities and utilize them for their own growth and learning, and to be proactive at work within their optimum working hours.

The results of this research indicate a need to reconfirm the ideas that students' experience of part-time work can provide them with opportunities for skills development and career formation, and can play a bridging role between university life and the world of employment. Career education for young people cannot be completed only through curricular career education programs in schools. It is thought that organically linking curricular career education to extra-curricular activities could bring significant benefits in this area (Sato 2007). This is one reason why part-time work experience is considered to play such an important role as part of a student's extra-curricular activities. In order to achieve these benefits, whilst the attitude of the individual student is of course vital, considerations need to be given to the manner in which employers provide part-time jobs and motivate students they employ. Schools, who promote career education and support for selecting a career path, should also consider part-time work as an opportunity for career development, and offer guidance to students regarding a proactive attitude to work, and the optimum number of working hours.

3. Limitations and Future Research

One of the limitations of this research is the fact that, since data used was from a cross-sectional questionnaire, it was not possible to conclusively demonstrate causal relationships between the measurement variables. The relationship between part-time work experience attributes and career development was clarified, but this does not necessarily demonstrate that attributes are causal factors in career development. In the future, in order to consider the observations attained from this research more deeply, longitudinal studies would be useful in order to allow more accurate analysis of the causal relationships between students' part-time work experience and their subsequent job-seeking activities, and career development subsequent to graduation.

Another limitation is the fact that the students who were surveyed all attended national universities, and so the results may not be generalizable to all university students nationwide. This survey was conducted in two universities, one in a city and one in a regional setting, but the differences between the two universities, which were used as dummy variables for analysis, showed almost no significant impact in any area, and so it is thought that the results were not significantly distorted by using specific universities. Nonetheless, to gain a more accurate picture of students working in part-time jobs, or to extend the theories and hypotheses in order to give an effective, deeper understanding of the relationship be-

tween part-time work activities and career development, future research could conduct a survey on university students different to this sample, or alternatively, on a sample taken not only from university students but also from high school students.

References

- Adachi, Tomoko. 2004. Daigakusei no kyaria sentaku: Sono shinriteki haikai to shien [Career decision of Japanese university students: Psychological determinants and intervention]. *The Japanese Journal of Labour Studies* 46, no. 12: 27–37.
- Aiken, Leona S., and Stephen G. West. 1991. *Multiple regression: Testing and interpreting interactions*. Thousand Oaks: Sage.
- Anbo, Hideo, Kenichiro Ishizu, Takekatsu Kikuchi, Masanori Chiba, and Toshiyuki Inomata. 2008. Tohoku daigaku ni okeru gakubusei no kyaria ishiki (1): Kibo shinro ni kakawaru youin to sono junbi katsudo [Attitudes of Tohoku University students toward career (1): Factors related career options and preparation for occupation]. *The Annual Report of the Graduate School of Education, Tohoku University* 56, no. 2: 201–17.
- Bachman, Jerald G., and John Schulenberg. 1993. How part-time work intensity relates to drug use, problem behavior, time use, and satisfaction among high school seniors: Are these consequences or merely correlates? *Developmental Psychology* 29, no. 2:220–35.
- Bandura, Albert. 1977. Self-efficacy: Toward a unifying theory of behavioral change. *Psychological Review* 84 (2):191–215.
- Berg, Justin M., Amy Wrzesniewski, and Jane E. Dutton. 2010. Perceiving and responding to challenges in job crafting at different ranks: When proactivity requires adaptivity. *Journal of Organizational Behavior* 31, no. 2-3:158–86.
- Berg, Justin M., Jane E. Dutton, and Amy Wrzesniewski. 2008. *What is job crafting and why does it matter?* Working Paper, Ross School of business, University of Michigan.
- Claes, Rita, and S. Antonio Ruiz-Quintanilla. 1998. Influences of early career experiences, occupational group, and national culture on proactive career behavior. *Journal of Vocational Behavior* 52, no. 3:357–78.
- Dentsu Ikueikai. 2007. Kyoto daigaku/Dentsu Ikueikai kyoudo, Daigakusei no kyaria ishiki chosa 2007 [Kyoto university/Dentsu Ikueikai survey into career awareness among university students 2007]. <http://www.dentsu-ikueikai.or.jp/research/top.html>.
- Eden, Dov, and Arie Aviram. 1993. Self-efficacy training to speed reemployment: Helping people to help themselves. *Journal of Applied Psychology* 78, no. 3:352–60.
- Griffin, Mark A., Andrew Neal, and Sharon K. Parker. 2007. A new model of work role performance: Positive behavior in uncertain and interdependent contexts. *Academy of Management Journal* 50, no. 2:327–47.
- Hackman, J. Richard, and Greg R. Oldham. 1976. Motivation through the design of work:

- Test of a theory. *Organizational Behavior and Human Performance* 16 (2):250–79.
- . 1980. *Work redesign*. Reading, MA: Addison-Wesley.
- Idasak, Jacqueline R., and W. Fritz Drasgow. 1987. A revision of the job diagnostic survey: Elimination of measurement artifacts. *Journal of Applied Psychology* 72 (1):69–74.
- Intelligence. 2006. Arubaito jittai chosa 2006 [Survey into the state of part-time Work, 2006]. Intelligence Ltd. http://www.inte.co.jp/corporate/library/survey/data/GEHR_report_200612.pdf.
- . 2007. Hajimete no arubaito jittai chosa [Survey into first experience of part-time work]. Intelligence Ltd. http://www.inte.co.jp/corporate/library/survey/data/GEHR_report_200702.pdf
- Japan Institute for Labour Policy and Training (JILPT). 2008. Gakko dankai no wakamono no kyaria keisei shien to kyaria hattatsu [Youth career development support at school and career Development: For cooperation between career education and labor administration]. JILPT Research Report no. 104, the Japan Institute for Labour Policy and Training, Tokyo.
- Kanfer, Ruth, and Charles L. Hulin. 1985. Individual differences in successful job searches following lay off. *Personnel Psychology* 38, no. 4:835–47.
- Kawamura, Terumi. 2003. Oya kara no kitai to seinen no kanzen shugi keiko to no kanren [The Relation between expectation from the parents and perfectionism tendency of the youth]. *Kyushu University Psychological Research* 4:101–10.
- Kirimura, Shinji. 2005. Daigaku ni okeru kyaria kyoiku no igi to hoho [The significance and methods of careers education in Universities]. *International Business and Management Forum* 16:41–62.
- Kosugi, Reiko. 2001. Zoka suru jakunen hiseiki koyosha no jittai to sono mondaiten [The problem of the increasing number of young non-regular employees]. *The Japanese Journal of Labour Studies* 43, no. 5:44–57.
- Kusuoku, Shigenori. 2005. Daigakusei no shinro sentaku ni okeru jiko koryoku no sogai yoin ni kansuru ichikosatsu [A Consideration of a prevention factor concerning the career decision-making self-efficacy of undergraduates: A focus on identity]. *The Ritsumeikan Business Review* 44, no. 2:106–23.
- . 2006. Jiko koryokuron kara mita daigakusei no intanshippu no koka ni kansuru jissyo kenkyu: Benchakei kigyo he no intanshippu wo taisho ni shita chosha [A study of effects of internship on college students with a focus on self-efficacy theory: A survey for internship students for new business ventures]. *The Ritsumeikan Business Review* 44, no. 5:169–85.
- Matsuyama, Kazuki, and Kohei Tobita. 2008. Daigakusei no shokugyo ishiki to intanshippu no kankei [The relationship between the vocational maturity of university students and internship programs]. *Journal of Business Studies* 55, no. 2:427–42.
- Morgeson, Frederick P., and Stephen E. Humphrey. 2006. The Work Design Questionnaire (WDQ): Developing and validating a comprehensive measure for assessing job design

- and the nature of work. *Journal of Applied Psychology* 91, no. 6: 1321–39.
- Moriyama, Hiromi. 2007. Daigaku ni okeru kyaria kyoiku: Sono hitsuyousei to koka hantei no shiza kara [Career education in a university: Consideration on its necessity and effect measurement]. *International Buddhist University bulletin* 44:309–19.
- Ota, Satsuki, Tomoaki Tabata, and Kazunari Okamura. 2006. Daigakusei no shushoku katsudo ni taisuru jiko koryokukan [Self-efficacy in regard to job-seeking activities among university students]. In *Nihon shakai shinri gakkai dai 47 kai happyo ronbunshu* [Japanese Society of Social Psychology, 47th Collection of Presented Papers], 532–33. Tokyo: The Japanese Society of Social Psychology.
- Paschall, Mallie J., Christopher L. Ringwalt, and Robert L. Flewelling. 2002. Explaining higher levels of alcohol use among working adolescents: An analysis of potential explanatory variables. *Journal of Studies on Alcohol* 63 (2):169–78.
- Saks, Alan M., and Blake E. Ashforth. 1999. Effects of individual differences and job search behaviors on the employment status of recent university graduates. *Journal of Vocational Behavior* 54 (2):335–49.
- . 2000. Change in job search behaviors and employment outcomes. *Journal of Vocational Behavior* 56 (2):277–87.
- Sano, Yoshihide. 2004. Hitenkei koyo : Tayoka suru hatarakikata [Atypical employments: Diversifying work styles]. In *Shigoto no shakaigaku: Henbo suru hatarakikata* [The sociology of work: Changing work styles], ed. Hiroki Sato and Atsushi Sato, 141–56, ch.9. Tokyo: Yuhikaku.
- Sato, Ryuko. 2007. Gakusei no jihatsusei wo unagasu kyaria kyoiku to seikagai katsudo [Careers education and extra-curricular activities to encourage student autonomy]. *Kyoto University Researches in Higher Education*, no. 13:24–35.
- Shimomura, Hideo, and Hiromoto Hori. 2004. Daigakusei no shushoku katsudo ni okeru joho tansaku katsudo: Joho baitai no kino ni kansuru kento [Information seeking behavior during college student job hunting: Focusing on the impact of various information sources] *Japanese Journal of Social Psychology* 20, no. 2:93–105.
- Steinberg, Laurence, and Stanford M. Dornbush. 1991. Negative correlates of part-time employment during adolescence: Replication and elaboration. *Developmental Psychology* 27, no. 2:304–13.
- Stumpf, Stephen A., Stephen M. Colarelli, and Kare Hartman. 1983. Development of the career exploration survey (CES). *Journal of Vocational Behavior* 22 (2):191–226.
- Sugiyama, Shigeru. 2007. Arubaito keiken ha kyaria ishiki no keisei ni donoyona eikyo wo ataerunoka [Effects of the part-time working on career consciousness among Japanese university students]. *The Review of Liberal Arts* 113:87–98.
- Takeishi, Emiko. 2002. Hiseiki rodosha no kikan rodoryokuka to koyo kanri no henka [The mainstreaming of non-standard workers into the labor force, and changes in employment management]. *Nissei Kiso Kenken Shoho* 26:1–36.
- Ukai, Yoichiro. 2007. Kigyo ga aoru “Yaritaikoto”: Shushoku katsudo ni okeru jiko bunseki

no kento kara [The orientation towards “YARITAIKOTO” (what one hopes to do) required by personnel departments: thorough analysis of “self-analysis” in job hunting]. *Annals of Human Sciences*, no. 28:79–98.

- Umemura, Yuko, and Atsuko Kanai. 2006. Shushoku katsudo ni okeru riso to genjitsu no togo katei ni kansuru tansakuteki kenkyu [The process of integration of the ideal-self and reality in career decision-making: From the viewpoint of the relationship among idealized self-concept, actual self-concept and social context] *Japanese Journal of Administrative Science* 19, no. 2:151–62.
- Vinokur, Amiram D., Richard H. Price, and Robert B. Caplan. 1991. From filed experiments to program implementation: assessing the potential outcomes of an experimental intervention program for unemployed persons. *American Journal of Community Psychology* 19, no. 4:543–652.
- Wakabayashi, Mitsuru, Motomichi Goto, and Keiko Shikanai. 1983. Shokugyo redinesu to shokugyo sentaku no kozo: Hoikukei, kangokei, jinbunkei joshi tandaisei ni okeru jiko gainen to shokugyo ishiki to no kanren [Occupational readiness and occupational choice structure: On the relationships between self concept and occupational attitudes among female junior college students]. *Bulletin of the Faculty of Education* 30:63–98.
- Wrzesniewski, Amy, and Dutton, Jane E. 2001. Crafting a job: Revisioning employees as active crafters of their work. *Academy of Management Review* 26, no. 2:179–201.
- Yachi, Atsuhiko. 2005. *Daigakusei no shushoku ishiki to kyaria kyoiku* [Employment awareness among university students and careers education]. Tokyo: Keiso Shobo.
- Yamaguchi, Kenji. 2005. Kyaria kyoiku to jakunensha koyo mondai [Career education and youth employment problems]. *Journal of Nijima Gakuen Junior College*, no. 25:17–31.
- Yazaki, Yumiko. 2006. Daigakusei no shinro tansaku kodo wo yosoku suru yoin no kento [Consideration of factors that predict behavior among university students considering their future careers]. In *Nippon seinen shinri gakkai taikai happyo ronbunshu* [Conference presentation papers, Japan Society of Youth and Adolescent Psychology], no. 14, 60–61. Shiga: The Japan Society of Youth and Adolescent Psychology.

Job Security Concern among Temporary Agency Workers in Japan

Akiko Ono

The Japan Institute for Labour Policy and Training

This paper conducts factor analysis regarding the choice of temporary agency work, particularly short-term work, short-term temporary workers' job security concern and their hope to become regular employees, and complements the findings with an analysis of the hearing survey results. The period covered by the analysis is the time of recession that followed the failure of major investment bank Lehman Brothers (Lehman Shock) in 2008, when the supply of jobs shrank rapidly. My analysis found that the most typical short-term temporary agency worker is a woman in her 20s or 30s with a junior or senior high school diploma who engages in a sales, manufacturing or light manual labor job, rather than a clerical job. It also found that the typical short-term temporary agency worker works in prefectures where the unemployment rate is high and has a post-school history of illness that could affect working life. The factor analysis regarding job security concern showed that temporary agency workers with a short-term contract of less than three months are more prone to be concerned about job security than those with a long-term contract of more than one year. It also indicated that whereas workers' hope to become regular employees is significantly affected by job security concern, people who realistically expect to become regular employees are less prone to be concerned about job security. Moreover, the analysis found that short-term temporary agency workers who realistically expect to become regular employees typically work under a contract with an employment period of more than one year, while those who hope to become regular employees but who realistically expect to continue temporary agency work or who have no idea of what employment arrangement they will be working under three years later typically work under a contract of less than one year. The hope to become a regular employee stems largely from job security concern. Therefore, first of all, it is essential for the government to take measures to ease job security concern, such as promoting the extension of the contractual employment period. In addition, employers need to provide jobs in ways that enhance workers' vocational skills, while temporary staff agencies should assign jobs in ways that enable workers to climb the career ladder.

I. Introduction

This paper conducts analysis with a particular focus on temporary agency workers working on a short-term contract in light of surveys that have been conducted since 2008 with regard to temporary work.¹ The period covered by the surveys is the time of recession

¹ The Japan Institute for Labour Policy and Training (JILPT) holds hearings with and conducts questionnaire surveys on temporary staff agencies, employers and temporary agency workers. The results so far published are those of surveys and hearings conducted by Ono (2009), Okuda (2009) and JILPT (2010a, 2010b, 2010c, 2011a, 2011b).

Table 1. Ratio of Employers that Stopped Using Temporary Agency Workers

	n	%
Total (Number of employers which stopped using temps)	870	100.0
Stopped using temps in or before August 2008	333	38.3
Stopped using temps in or after September 2008	537	61.7
Total (Employers which stopped using temps in or after September 2008)	537	100.0
Manufacturing		43.8
Information/communications		3.9
Transport		10.8
Wholesale/retail		17.1
Financial/insurance		6.7
Medical/welfare		8.8
Academic research/professional engineering services		2.8
Life-related services		3.5
Other business services		2.6

Source: The Japan Institute for Labour Policy and Training, *Survey Concerning Temporary Agency Workers' Careers and Working Styles (Temporary Staff Agency Survey)*.

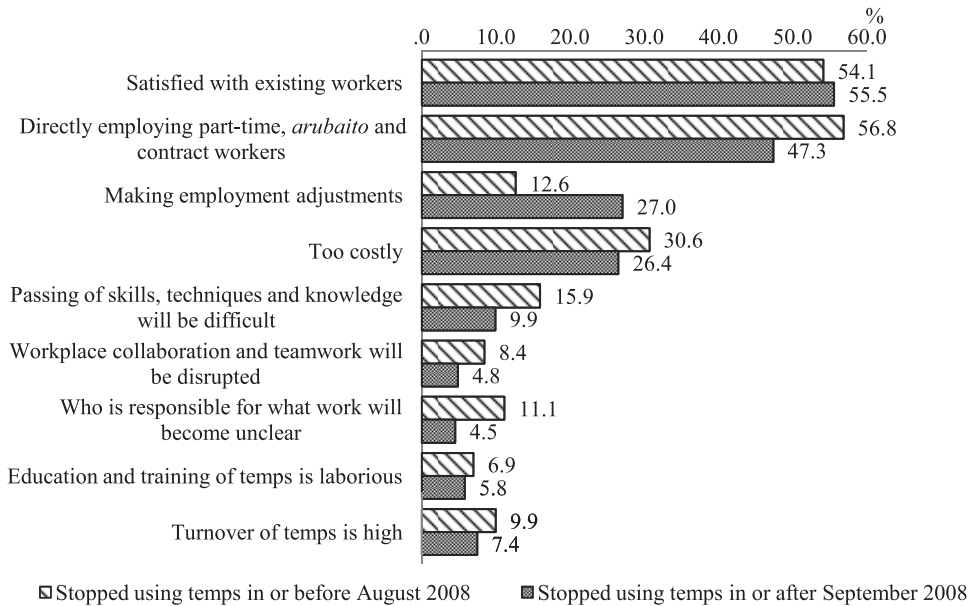
that followed the Lehman Shock of 2008, when the supply of jobs shrank rapidly. This paper will not only conduct empirical analysis but also complement the analysis with the results of hearings from temporary agency workers.

After peaking at 1.4 million people in 2008, the number of temporary agency workers declined by around 300,000 people² in 2009. The decline was mainly caused by employment adjustments targeted at temporary agency workers engaging in manufacturing jobs. Of the “employers which stopped using temps” covered by the surveys, 61.7% said that they stopped using temporary agency workers after the Lehman Shock (September 2008). Of these employers, 43.8% are in the manufacturing industry (Table 1). As for the reason for discontinuing the use of temporary agency workers, “making employment adjustments” was cited by a much larger proportion of employers after the Lehman Shock (Figure 1) than before it.

During recession, the supply of jobs shrinks, producing a greater impact on non-regular employees, who are regarded as a “buffer,” than on regular ones. In particular, temporary agency workers are expected to grow concerned about job security because their contractual employment period is specified. The ratio of workers concerned about job security was 53.8% among temporary agency workers, higher than the 45.5% among regular employees and the 47.7% among part-time workers and *arubaito* workers.³

² Labour Force Survey by the Statistics Bureau, the Ministry of Internal Affairs and Communications.

³ The Working Person Survey by Recruit's Working Institute collected data concerning items relating to job security concern as categorized by employment arrangement in 2006 and 2008. Among non-standard employees, the ratios for contract workers (56.4%) and temporary agency workers were



Source: The Japan Institute for Labour Policy and Training, *Survey Concerning Temporary Agency Workers' Careers and Working Styles (Temporary Staff Agency Survey)*.

Figure 1. Reasons for Stopping Use of Temporary Agency Workers (Multiple Answers Allowed)

Meanwhile, the contract period for temporary agency workers has been becoming shorter since 2007 (Table 2). In fiscal 2009, contracts with an employment period of one month or shorter accounted for more than half of all temporary agency work contracts. That is presumably because employers using temporary agency workers tried to avert risk by reducing the contract period amid uncertainty over the prospects of corporate earnings due to the recession. Reduction of the contract period causes employers to treat temporary agency workers from a short-term perspective, and as a result, they choose to replace existing temps with new ones, rather than helping them adapt to jobs and workplaces.⁴ Workers not only lose the opportunity to receive training and other support necessary for such adaptation but also face termination of their employment contracts. Presumably for this reason, temporary agency workers are prone to be concerned about job security.

The structure of the paper is as follows. In section II, I will draw hypotheses from the findings of previous studies and our hearings regarding factors related to labor supply, those related to companies accepting temporary agency workers (labor demand-related factors), and those related to temporary staff agencies. In section IV, I will make estimations and

high, indicating that non-regular employees working full-time tend to have job security concern.

⁴ Shimanuki and Morishima (2004) argue that the structural framework that governs temporary agency work is different from the one that governs regular employees in that (i) workers are subject to management by two entities and (ii) workers have a short-term career perspective.

Table 2. Changes in the Proportions of Temporary Agency Workers by Contract Period (As a Proportion of All Temporary Agency Workers at Employers Employing General Temporary Agency Workers)

	(%)								
	Up to 1 day	1-7 days	1 week- 1 month	1-3 months	3-6 months	6-9 months	9-12 months	1-3 years	Other
FY2007	10.6	11.2	14.8	33.2	20.7	4.3	2.9	2.2	0.2
FY2008	24.9	9.5	13.2	31.8	13.0	3.7	2.5	1.3	0.1
FY2009	26.9	10.0	16.4	31.4	10.9	1.6	2.3	0.9	0.1

Source: Ministry of Health, Labour and Welfare, *Statistics on Temporary Staffing*.

discuss the analysis results in light of cases identified in the hearing survey. Finally, in section V, I will provide my conclusion and offer my thoughts.

II. Previous Studies and Hypotheses

1. Factors for Choice of Temporary Agency Work

What causes temporary agency workers to choose a short-term contract over a long-term contract and vice versa? The choice of temporary agency work is significantly affected by factors related to labor supply. Sato (2006) and Sato and Koizumi (2007) argued that most temporary agency workers make their choice in order to strike a balance between their jobs and the duties of housekeeping and child care. It is true that housewives (married women) working as temporary agency workers are highly likely to have chosen that working arrangement due to their own preference, as in the case of housewives working part-time. In light of this, as factors related to labor supply, I will adopt gender, marital status and age in the following hypotheses.

From past hearings with temporary agency workers and temporary staff agencies, it was found that in many cases, people worked as temporary agency workers during periods of recuperation from illness, including mental disease. Yuda (2010) confirmed that male workers in particular experience a significant decline in wages if their health condition deteriorates. His paper does not identify a correlation between this phenomenon and the type of employment arrangement. However, given that non-regular employees' wages are usually lower than regular employees' wages, it may be said that people whose health condition is not good have a higher probability of working as non-regular employees than those whose health condition is good and as a result, they choose short-term temporary agency work. Therefore, this paper also adopts as a variable factor the history of illness in the working career since the first job.

In addition, as factors related to employers' demand for human resources, I adopt academic attainment and working career, including job types. Moreover, as temporary agency

workers are employed for specific jobs, I will examine factors related to demand for job types. What types of jobs are in high demand for short-term contracts? Run-of-the-mill work and jobs that require short-term employment adjustments according to the market supply-demand conditions are presumed to be in high demand for such contracts. Assuming that the local economic conditions affect temporary agency workers' choice of employment arrangement, I also adopt the prefecture-by-prefecture annual unemployment rate in 2009 as a variable factor.

2. Temporary Agency Workers' Job Security Concern and Their Hope to Become a Regular Employee

(1) Job Security Concern

If the employment situation deteriorates during recession, workers are prone to be concerned about job security. What types of people are particularly prone to be concerned about job security? The Questionnaire Survey concerning Temporary Agency Workers' Life and Job Search Activity, conducted by the Research Institute of Economy, Trade and Industry (RIETI), focused on workers' subjective happiness. This research concluded that from the perspective of subjective happiness, the most important of the three axes of non-standard workers—(i) “axis of employment” (direct or indirect employment), (ii) “axis of the contract period” (fixed-term or non-fixed-term contract) and (iii) “axis of working hours” (full-time or part-time work)—is the axis of the contract period (Tsuru 2010). In light of that, I will classify temporary agency workers into three groups by the length of the contract period—short-term workers, medium term workers and long-term workers—and examine which group of workers is prone to be concerned about job security. As for labor supply-related factors, particular attention will be paid to the history of illness. The history of illness may be significantly correlated to job security concern.

What sets temporary agency work apart from other types of employment arrangements is the presence of a temporary staff agency as a middleman between the worker on the labor supply side and the employer on the labor demand side. In his analysis of determinant factors concerning workers' “satisfaction with the current working arrangement” and “future career prospects,” Shimanuki (2007) showed that workers' satisfaction is affected mainly by the personnel management of their employer and is also positively affected by education and training provided by their temporary staff agency. Shimanuki also confirmed that continuous job assignment by the temporary staff agency has a positive impact on future career prospects. In light of that, this paper will examine how job security concern is affected by factors related to the employer's use and management of temporary agency workers, such as the state of education and training and the degree of routineness (mix of the elements of routine work and judgment-based work) and past records of conversion of temporary agency workers into regular employees. I will also adopt such variables as the state of education and training provided by temporary staff agencies, the frequency of the

agencies' consultation with workers, the state of job assignment by the agencies and the gap between the present hourly wages and the desired level of wages.⁵

(2) Hope to Become a Regular Employee and Realistic Expectations for the Future

According to the surveys used in this paper, the combined ratios of temporary agency workers who “strongly hope to become a regular employee” and those who “would rather like to become a regular employee” surpassed 70%. This was the highest percentage recorded among similar large-scale surveys. Survey data used by Sato and Koizumi (2007) (the survey was conducted in February 2001) showed that 35.6% hoped to become a regular employee.⁶ According to the Temporary Agency Staff's Perspective on Work and Working Styles Survey by the Department of Research on the Staffing Industry of the University of Tokyo's Institute of Social Science (conducted in October 2005),⁷ 53.3% hoped to become a regular employee, while the Ministry of Health, Labour and Welfare's Survey on the Actual Status of Temporary Agency Workers, conducted in October 2008, immediately after the Lehman Shock, showed that 40.8% hoped to work as a regular employee.⁸ Assuming that increased job security concern causes temporary agency workers to hope to become a regular employee during recession, this paper pays attention to the relationship between such concern and hope.

However, temporary agency workers' hope to become a regular employee may not necessarily reflect their realistic expectations of what kind of employment arrangement they will be working under in the future. In fact, while more than 80% of the respondents in the hearing survey expressed hope to become a regular employee, less than 10% were actually conducting job-search activity. Many workers have realistically given up on becoming a regular employee in light of their housekeeping duties and life patterns and their disadvantages regarding, educational attainment, working career and age. Therefore, apart from the factor analysis regarding the hope to become a regular employee, I will examine factors that encourage temporary agency workers to expect that they will become regular employees in the future. Below, I will draw hypotheses from the analysis of labor supply-related

⁵ Tachibanaki and Urakawa (2007) conducted research on the poor class and pointed out that one notable feature of poor households is that the household head is typically a worker working under a contract of less than one year. Relatively low income presumably causes job security concern.

⁶ The data source is the Survey on Workers under Non-Typical Employment Arrangements (Recruit's Works Institute). The survey subjects were contract workers, *shokutaku* workers, temporary agency workers, part-time workers and *arubaito* workers aged 18-64 (excluding people attending school) who are working in the area within a 50-kilometer radius from central Tokyo (Tokyo and Kanagawa, Chiba, Saitama and Ibaraki Prefectures). Answers were collected from 6,000 people.

⁷ The survey subjects were limited to registered temporary agency workers engaging in clerical jobs.

⁸ The ratio of workers who hope to continue working for their current employers as regular employees instead of as temporary agency workers was 23.3% and the ratio of workers who hope to work for employers other than their current ones as regular employees instead of as temporary agency workers was 17.5%. The total ratio for these two categories of people came to 40.8%.

factors, employer-related factors (labor demand-related factors) and factors related to temporary staff agencies.

Regarding determinant factors concerning the conversion of non-regular employees into regular employees, Genda (2008) conducted analysis using data collected through the “Basic Survey on the Employment Structure” (2002). This analysis showed that male workers have a higher chance of becoming regular employees and that people aged 50 or older tend to avoid becoming regular employees for labor-supply-side reasons. As for labor demand-related factors, workers with a higher level of educational attainment have a significantly higher chance of becoming a regular employee.⁹ It is also known that the experience of working as a non-regular employee for a certain period of time (2 to 5 years) increases a worker’s chance of becoming a regular employee. Hori (2007) pointed out that among male *freeters* who have worked as non-standard employees for more than three years, less than half can shift to a more stable working status and that the ratio is around 30% among female *freeters* with such a working career. In light of that, this paper will also pay attention to individual workers’ attributes and examine how the length of the period worked as a non-standard employee affects the hope to become a regular employee and realistic expectations for the future.

Next, I will look at the impact of internal training (on-the-job training) as an employer-side factor (labor demand-related factor). From previous studies on the education and training opportunity gap faced by non-regular employees, it is known that non-regular employees who have little chance of shifting to regular work (employees working on short-term employment contracts, including seasonal and temporary workers) have significantly lower probability of receiving education and training (Arulampalam and Booth 1998; Booth, Francesconi, and Frank 2002). Hara (2010) showed that internal training of non-regular employees has a positive impact on their conversion into regular employees. In light of that, I will adopt the impact of employer-provided OJT as a variable factor. In addition, I will examine such employer-related factors as whether the job is routine or judgment-based and records of the conversion of non-regular employees into regular employees.

Finally, Shimanuki (2007) showed that continuous assignment of jobs by temporary staff agencies motivates workers to continue to work as temporary agency workers. In light of that, I will adopt such temporary staff agency-related factors as training and education, the frequency of agency-worker consultation, and the state of job assignment.

III. Survey Method and Data

This paper uses data collected through the surveys on temporary agency workers and employers that were conducted by the Japan Institute for Labour Policy and Training in

⁹ Kosugi (2003) also pointed out that it is difficult for people whose academic attainment is low to quit the status of non-regular employee.

Table 3. Proportions of Temporary Staff Agency Workers by Period of Contract with Agencies

	n	%
<i>Short-term</i>	(390)	(10.2)
Up to 1 month	22	0.6
1 month	142	3.7
1-2 months	128	3.4
2-3 months	98	2.6
<i>Medium-term</i>	(1663)	(43.6)
3 months	1164	30.5
3-6 months	88	2.3
6 months	358	9.4
6-12 months	53	1.4
<i>Long-term</i>	(1675)	(43.9)
1 year	527	13.8
1-3 years	88	2.3
3 years	40	1.0
Other	53	1.4
No fixed term	967	25.4
No answer	86	2.3
Total	3814	100.0

Source: Ministry of Health, Labour and Welfare, *Statistics on Temporary Staffing*.

February and March 2010. The survey on employers covered employers across Japan with a workforce of 30 employees or more in industries highly dependent on temporary agency workers,¹⁰ with 10,000 such employers randomly selected from among companies registered with Teikoku Data Bank. Of the surveyed employers, 3,085 provided valid replies.¹¹ In the survey on temporary agency workers, 80,000 copies of the questionnaire were distributed via employers to workers and answers were collected via mail directly from workers. Of the surveyed workers, 4,473 provided valid answers. In this paper, the analysis is conducted regarding 3,814 cases for which data concerning both employers and workers were available.

In this paper, the short-term temporary agency worker (hereinafter referred to as “short-term worker”) is defined as a worker with a contract period of less than three months. The medium-term temporary agency worker (hereinafter referred to as “medium-term worker”) and long-term temporary agency worker (hereinafter referred to as “long-term worker”) are defined as workers with a contract period of three months to one year and with a contract period of more than one year, respectively (Table 3). What is notable about medium-term workers is that more than around 70% of such workers work for the same employer for more than one year through the renewal of their contracts (Table 4). Although some short-term workers also work for the same employer for more than one year through the

¹⁰ Six industries (manufacturing, information/communications, financial/insurance services, general services, wholesaling/retailing and transportation).

¹¹ Of the samples covered by the survey on employers, those employing temporary agency workers accounted for 39.3% (1,212 employers).

Table 4. Relations between the Period of Contract with the Agency and the Total Period Worked as a Temporary Agency Worker at the Current Employer

	Total period worked as a temp at the current employer		
	Up to 1 year	More than 1 year	Total
Period of contract with the current temp agency			
Short-term: Up to 3 months	219 (56.3%)	170 (43.7%)	389 (100%)
Medium-term: 3-12 months	497 (29.9%)	1163 (70.1%)	1660 (100%)
Long-term: More than 1 year	360 (21.7%)	1297 (78.3%)	1657 (100%)
Total	1073 (28.9%)	2637 (71.1%)	3710 (100%)

Missing value: 86.

renewal of their contracts, their ratio is much lower, 40%. The variables and descriptive statistics are as shown in Table 5. The analysis in this paper was complemented by a hearing survey on temporary agency workers, which was conducted from September 2008 through December 2009. The total number of people surveyed was 88. Details are available in JILPT (2011b).

IV. Analysis

1. Factor for Choice of Temporary Agency Work

I classified temporary workers into short-term, medium-term and long-term temporary agency workers and used the contract period length as an explained variable to deduce factors for the choice of temporary agency work through multi-nominal logit analysis. The analysis results are as shown in Table 6. Among explanatory variables are labor supply-related factors, such as gender, marital status, age, history of illness, and labor demand-related ones, such as the last school attended, the length of the period worked as a non-standard employee, the size of the employing company, the job type and the unemployment rate in the relevant prefecture. I will make estimations using data concerning each of medium-term and long-term workers as the base of analysis and look into correlations.

First, let us look at labor supply-related factors. Analysis using gender as the variable indicated a negative value in Estimation 1 and a positive value in Estimation 3, indicating that short-term and medium-term workers are more likely to be women than men compared with long-term workers. Analysis using age as the variable indicated significant negative values for all age groups in Estimation 1, which uses the age group “30s” as a reference group. The value for the age group “20s” in Estimation 2 was negative but not significant, which probably indicates that short-term workers are typically likely to be younger than medium-term workers, who are in turn likely to be younger than long-term workers. Analysis using the history of illness as the variable showed a positive correlation, indicating that short-term workers are likely to have suffered from some kind of illness or other after graduating

Table 5. Descriptive Statistics

Variables: Explanations concerning variables	n	Average	Standard deviation	Min. value	Max. value
<i>Explained variables</i>					
Temp contract period: Short-term=1, medium-term=2, long-term=3	3728	2.345	0.660	1	3
Job security concern D: Concerned about job security=1	3672	0.428		0	1
Wish to become a regular employee D: By all means=1	3384	0.486		0	1
Expectations for future working style: Expecting to become a regular employee=1, Expecting to continue temp work=2, No idea of future employment arrangement=3	2259	2.114	0.810	1	3
<i>Labor supply factors</i>					
Gender D: Male=1	3734	0.295		0	1
Marital status D: Married=1	3738	0.417		0	1
Age					
20s D	3515	0.241		0	1
30s D	3515	0.430		0	1
40s D	3515	0.220		0	1
50s and older D	3515	0.109		0	1
History of illness D ¹	3814	0.182		0	1
<i>Employer factors (human resources)</i>					
Last school					
Junior or senior high school D	3727	0.369		0	1
Technical college D	3727	0.160		0	1
Junior college D	3727	0.192		0	1
University/graduate school D	3727	0.278		0	1
Period worked as a non-standard employee (No. of months worked) ²	3679	70.778	62.180	0	372
Period worked as a non-standard employee					
Less than 1 year D	3679	0.219		0	1
1 to 3 years D	3679	0.167		0	1
3 to 5 years D	3679	0.186		0	1
More than 5 years D	3679	0.524		0	1
<i>Employer factors (general)</i>					
Employer size*					
1 to 99 employees D	3784	0.079		0	1
100 to 299 employees D	3784	0.282		0	1
300 to 999 employees D	3784	0.248		0	1
1000 or more employees D	3784	0.391		0	1
Job type ³					
Clerical D	3704	0.538		0	1
Medical/welfare service D	3704	0.036		0	1
Sales D	3704	0.029		0	1
IT engineering/creative D	3704	0.093		0	1
Other professional D	3704	0.125		0	1
Manufacturing D	3704	0.133		0	1
Light manual labor D	3704	0.046		0	1
Prefecture-by-prefecture unemployment rate	3814	4.917	0.736	3.5	7.5
Total period worked at the current employer					
1 year or less D	3784	0.289		0	1
1 to 3 years D	3784	0.410		0	1
More than 3 years D	3784	0.300		0	1

Table 5 (Continued)

Variables: Explanations concerning variables	n	Average	Standard deviation	Min. value	Max. value
Employer factors (Management and use of temps)					
Employer-provided OJT D ⁴	3785	0.679		0	1
Job's degree of routineness: Ordinal scale ⁵	3793	2.046	0.843	1	4
Records of conversion into regular employees D ^{*,6}	3654	0.401		0	1
Employer problems					
Can't use capabilities or experiences D	3674	0.134		0	1
Often required to do a job other than the one specified by the contract D	3674	0.068		0	1
Absence of a fixed chain of command D	3674	0.059		0	1
Excessive workload D	3674	0.138		0	1
Long overtime hours D	3674	0.051		0	1
Too much idle time D	3674	0.108		0	1
Lack of education or training D	3674	0.104		0	1
Colleagues' inappropriate workplace behavior D	3674	0.092		0	1
Burden of workplace relationship D	3674	0.139		0	1
Sexual, power and other harassment D	3674	0.044		0	1
Low wages D	3674	0.313		0	1
Safety and sanitary problems/poor workplace environment D	3674	0.051		0	1
Lack of access to employees' amenity facilities D	3674	0.086		0	1
Difficult to take paid leave D	3674	0.154		0	1
Temp agency factors (Management)					
Agency-provided Off-JT (Number of lectures) ⁷	3554	1.371	1.680	0	12
Frequency of agency-worker consultation: Ordinal scale ⁸	3742	2.609	1.617	0	5
Agency's job assignment D: Continuous assignment=1	3622	0.376		0	1
Hourly wages	3647	1343.889	571.624	530	8000
Gap between desired and actual wages: Desired wages–actual wages	3574	223.646	225.254	-800	3000
Contract period					
Less than 3 months D	3728	0.078		0	1
3 to 12 months (medium-term) D	3728	0.446		0	1
More than 1 year (long-term) D	3728	0.449		0	1
Other					
Job search					
Conducting specific activity D	2570	0.069		0	1
Collecting information online D	2570	0.351		0	1
Doing nothing D	2570	0.580		0	1

Notes: D indicates a dummy variable. * indicates survey data concerning employers.

¹The history of illness, which was surmised from answers to relevant questions, is a dummy variable. Value 1 was given when the answers selected in response to any of the questions “Why did you become a temporary agency worker?” “Why did you quit your first job?” “Why don't you hope to become a regular employee?” and “Why did you decline to be directly employed?” included “Worried about physical fitness,” “Suffering from mental or physical illness,” or “Mental or physical health was not good.” Multiple answers were allowed regarding all those questions.

²“Period worked as a non-standard employee” (number of months) represents the total period of time worked as a contract, part-time, *arubaito* and temporary agency worker. The period worked as a non-standard employee was divided into four brackets by the length of period, from less than one year to more than five years.

³Regarding “Job type,” a total of 46 jobs were classified into eight types. For the specifics of the 46 jobs, refer to the research overview of any of JILPT (2010b), (2010c) and (2011a).

⁴“Employer-provided OJT” is a dummy variable. Value 1 was given when the answer “I think so” was selected from among the three answer options in response to the question “Is there an instructor or trainer at your employer.”

⁵Routine job mostly following instructions=1; Routine job requiring some degree of judgment=2; Judgment-based job sometimes requiring instructions=3; Judgment-based job seldom requiring instructions=4.

⁶Dummy variable with the value 1 given when the employer has converted temporary agency workers into regular workers in the past three years.

⁷Fifteen answer options were available in response to the question “Have you participated in any of the following training programs at agencies (including agencies with which you have signed a contract)?” (multiple answers allowed), and the value 1 was given when the answer “None” was selected and the value 0 was given when other answers were selected. The 15 answer options were: 1. Beginner-level OA skill training; 2. Senior-level OA skill training; 3. Language training; 4. Vocational ability-specific training; 5. Business skills training; 6. Business manners training; 7. Training in protection of information; 8. Compliance training; 9. Pre-placement training; 10. Training for acquisition of public qualification certificate; 11. E-learning training; 12. Partner school discount program; 13. Correspondence education subsidy program; 14. Career counseling/career seminar.

⁸Very rarely=0; Around once a year=1; Around once every six months=2; Around once every three months=3; Around once a month=4; Several times a month=5.

from the last school (Estimations 1 and 2).

According to analysis using the last school attended as the variable, short-term workers are highly likely to be people with a junior or senior high school diploma (Estimation 1), while long-term workers are likely to have graduated from a higher educational institution than medium-term and short-term workers (Estimations 1 and 3). Analysis based on the length of the period worked as a non-standard employee showed that long-term workers are likely to have the experience of working as non-standard employees for less than one year (Estimation 3), shorter than the period for medium-term workers. Regarding the size of the employer company, long-term workers are more likely to work for companies with a workforce of more than 1,000 employees than for companies with a workforce of 100 to 299 employees (Estimation 3). As for the job type, short-term workers are more likely than long-term workers to engage in sales, manufacturing and light manual labor jobs, rather than clerical jobs (Estimation 1). On the other hand, long-term workers are highly likely to engage in “IT engineering and creative job” and “other professional job” (Estimations 1 and 3). Finally, analysis using the prefecture-by-prefecture unemployment rate as the variable indicated significant positive values in Estimations 1 and 2, indicating that temporary agency workers are likely to work on a short- or medium-term contract in prefectures where the unemployment rate is high.

From the analysis of factors for the choice of short-term temporary agency work, it can be concluded that short-term workers are typically more likely than long-term workers

Table 6. Results of Multi-Nominal Logit Analysis Concerning Factors for the Choice of Temporary Agency Work

	Estimation 1 Base: [Long-term] [Short-term]			Estimation 2 Base: [medium-term] [Short-term]			Estimation 3 Base: [medium-term] [Long-term]		
	Coefficient	Standard deviation	Asymptotic t-value	Coefficient	Standard deviation	Asymptotic t-value	Coefficient	Standard deviation	Asymptotic t-value
Labor supply factors									
Gender D	-0.3932	0.178	-2.21 *	0.1883	0.175	1.08	0.5815	0.119	4.91 ***
Marital status D	-0.1752	0.146	-1.20	-0.0451	0.144	-0.31	0.1301	0.085	1.52
Age <30s>									
20s	-0.3708	0.170	-2.18 *	-0.2106	0.166	-1.27	0.1602	0.106	1.52
40s	-0.7800	0.179	-4.36 ***	-0.2939	0.178	-1.65	0.4862	0.103	4.70 ***
50s and older	-1.1905	0.271	-4.39 ***	-0.7600	0.272	-2.79 **	0.4305	0.143	3.00 **
History of illness D	0.3875	0.157	2.47 *	0.2714	0.152	1.79	-0.1161	0.100	-1.16
Employer factors (human resources)									
Last school <Junior or senior high school D>									
Technical college	-0.1335	0.196	-0.68	0.0093	0.191	0.05	0.1428	0.123	1.16
Junior college	-0.4384	0.210	-2.09 *	-0.1086	0.206	-0.53	0.3299	0.114	2.89 **
University/graduate school	-0.4884	0.184	-2.66 **	-0.1493	0.182	-0.82	0.3391	0.106	3.19 ***
Period worked as a non-standard employee <More than 5 years>									
Less than 1 year	-0.1989	0.174	-1.14	0.0502	0.175	0.29	0.2491	0.105	2.37 *
1 to 3 years	0.1761	0.171	1.03	0.1678	0.167	1.00	-0.0083	0.108	-0.08
3 to 5 years	-0.2120	0.178	-1.19	-0.2874	0.173	-1.66	-0.0754	0.105	-0.72

<i>Employer factors (overall)</i>										
Employer size [†] <100-299 employees>										
1-99 employees	-0.0579	0.256	-0.23		-0.0300	0.250	-0.12	0.0279	0.159	0.17
300-999 employees	-0.0968	0.180	-0.54		-0.1622	0.174	-0.93	-0.0654	0.109	-0.60
1000 or more employees	-0.2067	0.162	-1.28		0.1080	0.160	0.68	0.3147	0.098	3.21 ***
Job type <Clerical>										
Medical/welfare service	-0.3539	0.397	-0.89		0.3656	0.402	0.91	0.7194	0.206	3.49 ***
Sales	1.0574	0.337	3.14 **		1.0915	0.326	3.35 ***	0.0341	0.245	0.14
IT engineering/creative	-0.3752	0.258	-1.46		0.3096	0.264	1.17	0.6848	0.134	5.13 ***
Other professional	-0.6633	0.294	-2.25 *		-0.0940	0.300	-0.31	0.5693	0.134	4.23 ***
Manufacturing	1.9779	0.212	9.32 ***		1.7424	0.199	8.73 ***	-0.2355	0.157	-1.50
Light manual labor	1.2912	0.285	4.54 ***		1.7059	0.292	5.85 ***	0.4147	0.227	1.83 *
Prefecture-by-prefecture unemployment rate	0.2317	0.087	2.68 **		0.1669	0.085	1.96 *	-0.0649	0.054	-1.21
Constant term	-2.1453	0.474	-4.52 ***		-2.7464	0.466	-5.89 ***	-0.6011	0.287	-2.09 *
Sample size						3211				
Log likelihood						-2802.1765				
Pseudo coefficient of determination						0.0825				

Note: *** 0.1%, ** 1%, * 5% significant. Items in < > are reference groups. D indicates dummy variables. [†] indicates data collected through the survey on employers.

to be women, in their 20s or 30s, with a junior or senior high school diploma, or those who have experienced some illness or other as well as those who are engaging in sales, manufacturing or light manual labor jobs rather than clerical jobs. While both short-term and medium-term workers are more likely to be women than men, medium-term workers are likely to be younger—typically in their 40s or younger—and more likely to engage in clerical jobs than short-term workers. In prefectures where the unemployment rate is high, temporary agency workers are likely to work on a short-term contract.

From the hearing survey, it was found that some workers chose to work on a short-term contract due to illness and other problems, including mental and physical disease and mental stress not so severe as to be diagnosed as depression, that they experienced after graduating from the last school. People who choose to work on a short-term contract mostly find short-term work to be preferable because it allows them to adjust their work schedule according to their health condition. In the case of a one-day job, workers feel little mental stress about cancelling the contract for health reasons. Some short-term workers said they prefer to use a temporary staff agency as a go-between, rather than look for a part-time or *arubaito* job themselves in the neighborhood of their residence, because they want to keep their illness secret in the workplace. Temporary agency workers who chose to work on a short-term basis due to their history of illness invariably said that they would face serious difficulty if the option of working on a short-term contract became unavailable.

2. Job Security Concern

The questionnaire distributed to temporary agency workers included the question “Are you concerned about the prospect of your job security?” and there were five answer options for varying degrees of concern, ranging from “not concerned at all” to “concerned.” I made estimations based on a probit analysis conducted on an overall sample group comprised of short-, medium-, and long-term workers and a sample group of short-term workers, with the answer “concerned,” which represents the highest degree of worry, indicating the base figure of 1. The results are as shown in Table 7. Below, I will mainly look at variables that indicated significant correlation.

Analysis using labor supply-related factors as variables indicates that regarding the overall sample (Estimation 4), people are increasingly likely to be concerned about job security as they move from the age group 20s to 30s to 40s and married people are more likely to be concerned than single people. Meanwhile, regarding the sample of short-term workers, people in their 30s are more likely to be concerned about job security than those in their 20s, and people with a history of illness are more likely to be concerned than those with a clean slate.

According to analysis based on employer-related factors, it was found that people who have the experience of working as a non-standard employee for a long time are likely to be concerned about job security. Regarding the job type, workers engaging in a “medi

Table 7. Results of Probit Analysis Concerning Determinant Factors for Job Security Concern

Job security concern = 1	Estimation 4 [Overall]			Estimation 5 [Short-term contract]		
	Marginal effect	Standard deviation	Asymptotic t-value	Marginal effect	Standard deviation	Asymptotic t-value
Labor supply factors						
Gender D	-0.0159	0.033	-0.48	-0.0640	0.127	-0.50
Marital status D	-0.1005	0.022	-4.46 ***	-0.1531	0.102	-1.48
Age <30s>						
20s	-0.1415	0.026	-5.23 ***	-0.2770	0.109	-2.37 *
40s	0.0853	0.028	3.01 **	-0.1507	0.134	-1.10
50s and older	-0.1046	0.040	-2.55 *	0.0871	0.210	0.41
History of illness D	0.0278	0.026	1.07	0.1878	0.106	1.72
Employer factors (human resources)						
Last school <Junior/senior high school D>						
Technical college	0.0598	0.033	1.82	-0.0532	0.145	-0.37
Junior college	0.0014	0.030	0.05	0.0080	0.153	0.05
University/graduate school	0.0539	0.029	1.89	0.0192	0.141	0.14
Period worked as a non-standard employee	0.0005	0.000	2.50 **	0.0011	0.001	1.03
Employer factors (overall)						
Employer size [†] <100-299 employees>						
1-99 employees	0.0581	0.044	1.33	0.1230	0.180	0.66
300 to 999 employees	-0.0250	0.029	-0.87	-0.2339	0.117	-1.90
1000 or more employees	-0.0431	0.027	-1.61	0.0102	0.134	0.08
Job type <Clerical>						
Medical/welfare service	-0.1433	0.052	-2.56 **	-	-	-
Sales	0.0028	0.064	0.04	-0.0773	0.195	-0.39
IT engineering/creative	0.0079	0.038	0.21	-0.3650	0.139	-2.01 *
Other professional	-0.0079	0.036	-0.22	0.2761	0.199	1.17
Manufacturing	0.0367	0.041	0.89	0.1841	0.146	1.23
Light manual labor	-0.1351	0.055	-2.33 *	-0.2113	0.200	-0.99
Prefecture-by-prefecture unemployment rate	0.0161	0.014	1.15	0.0253	0.060	0.42
Total period worked at the current employer <more than 3 years>						
1 year or less	-0.0339	0.031	-1.11	0.0552	0.161	0.34
1 to 3 years	-0.0132	0.026	-0.51	-0.0379	0.159	-0.24
Employer factors (management and use of temps)						
Employer-provided OJT D	-0.0583	0.025	-2.37 *	-0.0171	0.118	-0.15
Job's degree of routineness	-0.0511	0.013	-3.84 ***	-0.0338	0.062	-0.54
Records of conversion into regular employees [†]	-0.0381	0.022	-1.77	0.0253	0.100	0.25
Employer problems						
Can't use capabilities or experiences	0.0916	0.031	2.91 **	0.3426	0.101	2.88 **
Often required to do a job other than the one specified by the contract	0.1057	0.042	2.49 **	0.1176	0.272	0.42
Absence of a fixed chain of command	-0.0376	0.047	-0.80	-0.3325	0.150	-1.75
Excessive workload	-0.0116	0.033	-0.35	0.0956	0.152	0.62
Long overtime hours	-0.0153	0.049	-0.32	0.1940	0.219	0.82
Too much idle time	0.0046	0.034	0.13	0.2889	0.149	1.62
Lack of education or training	0.0445	0.037	1.21	0.2228	0.173	1.17
Colleagues' inappropriate workplace behavior	0.0030	0.037	0.08	0.2724	0.140	1.70
Burden of workplace relationships	0.0621	0.032	1.93	-0.1302	0.137	-0.93
Sexual, power and other harassment	0.1593	0.052	2.98 **	-	-	-
Low wages	0.1073	0.024	4.49 ***	-0.0914	0.115	-0.79
Safety and sanitary problems/poor workplace environment	0.0417	0.047	0.90	-0.1117	0.199	-0.55
Lack of access to employees' amenity facilities	0.0754	0.038	1.98 *	-0.0889	0.260	-0.34
Difficult to take paid leave	0.0394	0.029	1.35	0.2097	0.150	1.31

Table 7 (Continued)

Job security concern= 1	Estimation 4 [Overall]			Estimation 5 [Short-term contract]		
	Marginal effect	Standard deviation	Asymptotic t-value	Marginal effect	Standard deviation	Asymptotic t-value
<i>Temp agency factors (management)</i>						
Agency-provided Off-JT (Number of lectures)	-0.0090	0.007	-1.31	-0.0168	0.038	-0.44
Frequency of agency-worker consultation (Frequency = 6 scales)	-0.0143	0.007	-2.02 *	-0.0797	0.026	-3.03 **
Agency's job assignment (Continuous assignment =1)	-0.0676	0.022	-3.07 **	-0.0386	0.108	-0.36
Hourly wages	-0.0001	0.000	-3.42 ***	-0.0001	0.000	-0.41
Gap between desired and actual wages	0.0001	0.000	2.80 **	0.0004	0.000	1.23
Contract period <1 year or longer (long-term)>						
Less than 3 months (short-term)	0.0837	0.042	1.97 *	-	-	-
3 to 12 months (medium-term)	0.0355	0.023	1.57	-	-	-
Sample size		2578			191	
Log likelihood		-1603.5392			-95.021	
Pseudo coefficient of determination		0.0959			0.2823	

Note: *** 0.1%, ** 1%, * 5% significant. Items in < > are reference groups. D indicates dummy variables. † indicates data collected through the survey on employers.

cal/welfare service job” and “light manual labor job” are less likely to be concerned about job security than those engaging in a “clerical job.” Workers willing to take a “medical/welfare service job” are chronically in short supply, and “light manual labor jobs” are constantly available in such fields as house-moving, door-to-door parcel delivery and transport, so people engaging in these jobs may be less prone to be concerned about job security. Regarding the sample of short-term workers, it was found that people engaging in an “IT engineering and creative job” are less prone to be concerned about job security (Estimation 5).

“Employer-provided OJT,” a variable regarding the employer’s use and management of temporary agency workers, is a dummy variable which indicates the presence of an instructor or an educator in the workplace. “Job’s degree of routineness” is a variable that indicates the varying degrees of routineness of a job—the higher the value for the job is, the closer it is to judgment-based work. “Records of conversion into regular employees” is a dummy variable that indicates the employer’s records of the conversion of non-regular employees into regular ones for the past three years. Regarding Estimation 4 (overall sample), these variables indicated significant negative values (however, the significance level for “records of the conversion into regular employees” was 10%). In other words, in cases where the employer has an instructor or an educator who provides OJT or where the job has elements of judgment-based work, or where the employer has converted non-regular employees into regular ones in the past, workers are less prone to be concerned about job security. On the other hand, regarding the sample of short-term workers, significant correlation was not found. The reason for that may be that in the first place, short-term workers receive OJT in few cases, their jobs are of a highly routine nature and short-term workers are rarely

converted into regular employees.

As for employer-related problems, regarding the overall sample (Estimation 4), significant positive values were recorded with regard to “Can’t use capabilities or experiences,” “Often required to do a job other than the one specified by the contract,” “Burden of workplace relationship,” “Sexual and power or other harassment” “low wages” and “Lack of access to employees’ amenity facilities.” In particular, the value of the marginal effect regarding “Sexual, power or other harassment” is high, indicating that workers facing this problem are highly likely to be concerned about job security. On the other hand, among short-term workers, it is clear that “Can’t use capabilities and experiences” is a factor that causes job security concern (Estimation 5). This variable recorded the highest marginal effect among the variables used in Estimation 5, indicating that it considerably affects job security concern.

Finally, let us look at factors related to temporary staff agencies. “Frequency of agency-worker consultation” is an ordinal scale variable, which means that the higher the frequency is, the higher the value is. “Agency’s job assignment” is a dummy variable that indicates continuous job assignment by staff agencies. Regarding the overall sample, we see that the more frequently agency-worker consultation is held, the smaller the probability of the worker being concerned about job security is. Also, if the staff agency assigns jobs continuously, the worker is less likely to be concerned about job security. Among short-term workers in particular, the positive correlation between the frequency of agency-worker consultation and the reduction of job security concern is prominent. The length of the contract period was also used as a variable for the overall sample (Estimation 4). The estimation result showed that employees working on a short-term contract of less than three months are prone to be concerned about job security.

From the above results, it may be concluded that if a worker’s contract period is less than three months, they are highly likely to be concerned about job security. On the other hand, the total length of the period worked as a temporary agency worker at the employing company does not have any effect on job security concern. In other words, the contract period is more important than the total length of the actual period worked as a feel-good factor for workers. From the analysis regarding the sample of short-term workers, it was found that people in their 30s are more likely than those in their 20s to be concerned about job security and that people with a history of illness are more likely than those with a clean slate to be concerned. In addition, people who cannot use their capabilities or experiences in the workplace and people who infrequently hold consultation with their temporary staff agency are prone to be concerned about job security. Regarding the job type, people engaging in jobs requiring sophisticated professional skills, such as IT engineering, are less likely to be concerned about job security than people engaging in clerical jobs.

The hearing survey found that some workers were concerned about job security due to the reduction of their contract period and a lack of availability of medium- or long-term work following the Lehman Shock. Some workers experienced immediate termination of

their contracts because of the poor business performance of their employers and many others saw their contracts terminated after experiencing gradual reduction of their contract period due to employer-side reasons. When the contract is shortened, that could be a sign of its termination in the near future. After the Lehman Shock, the travel industry, for example, was suffering from the deterioration of their business performance due to rising crude oil prices and the outbreak of a new type of influenza. Some workers, including those who had previously been sounded out on whether they wanted to become regular employees, were notified of the termination of their contracts, so the workers surveyed expressed strong job security concern.

3. Hope to Become Regular Employees and Realistic Expectations

Most non-regular employees grow concerned about job security during recession, and such concern is presumed to lead them to hope for the status of regular employee, which (supposedly) enjoys relative employment stability. In light of that, I will examine factors that may affect the hope to become a regular employee through a probit analysis (Table 8). The explained variable used is a dummy variable with the hope to become a regular employee indicated by the value “1” and the explanatory variables include “job security concern” in addition to the labor supply-related factors, employer-related factors and factors related to temporary staff agencies that were used in the analysis described in the previous section.

Analysis concerning the hope to become a regular employee (Estimation 6) shows that regarding labor supply-related factors, single men in their 30s are highly likely to hope to become a regular employee but people in their 40s are less likely to have such hope. From the marginal effect, it is clear that people in their 50s are even less likely to hope to become a regular employee. “History of illness” indicates a significant negative correlation with the hope to become a regular employee. Workers are likely to hope to become a regular employee when they do not have the experience of suffering from illness that could affect their working ability since graduating from the last school.

Regarding employer-related factors, employees working for employers with a workforce of 1 to 99 employees are highly likely to hope to become a regular employee. But temporary agency workers engaging in an “IT engineering and creative job” tend to have no such hope, presumably because they are highly paid compared with workers doing other types of job¹² and they are accustomed to the external labor market.¹³ Regarding employers’ use and management of temporary agency workers, it was found that workers are highly likely to hope to become a regular employee in cases where OJT is provided by their employer or where the job has elements of judgment-based work. The prefecture-by-prefecture

¹² For details of wages by job type, refer to JILPT (2010b).

¹³ Studies by Sato et al (2008) and Sano and Takahashi (2009) also showed that people engaging in engineering jobs tend to care about what type of job they do but not about which employment arrangement they work under.

unemployment rate has positive correlation with the hope to become a regular employee, indicating that workers are likely to hope to become a regular employee during recession, when the unemployment rate rises.

Regarding factors related to temporary staff agencies, it was found that the lower workers' hourly wages are or the wider the gap between their desired wages and actual wages is, the more likely they are to hope to become a regular employee. It was also found that people working under a contract of one year or longer are more likely to hope to become a regular employee than those working under a contract of less than three months.

Finally, "job security concern has a positive correlation with the hope to become a regular employee. The marginal effect is also very high. In other words, when workers are concerned about job security, they are more likely to hope for the status of regular employee which (supposedly) enjoys relative employment stability.

Of the workers who hope to become a regular employee, less than 10% are conducting job search activity. In light of that, I will examine factors that lead workers to "hope and expect to become a regular employee in the future" and factors that cause workers to "hope to become a regular employee but expect to continue working as a temporary agency worker." I will make estimations through multi-nominal logit analysis using three explained variables¹⁴ — (1) "hoping to become a regular employee and expecting to do so in three years (hereinafter referred to as "people expecting to become a regular employee," (2) "hoping to become a regular employee but expecting to continue temporary work" (hereinafter referred to as "expecting to continue temporary work"), and (3) "hoping to become a regular employee but having no idea of the employment arrangement three years later" (hereinafter referred to as "no idea of future employment arrangement").¹⁵ The explanatory variables used in this analysis include those related to job search activity in addition to those used in the estimation regarding the hope to become a regular employee. Regarding "job search activity," "making specific activity," "collecting information online" and "doing nothing" were adopted as dummy variables.

The estimation results are represented by Estimations 7 and 8 in Table 8. I will mainly

¹⁴ Regarding these explained variables, people who selected the answers "By all means" and "I rather hope to do so" in response to the question "Would you like to work as a regular employee in the future" were categorized as "people hoping to become a regular employee." Of them, those who selected the answer "Expecting to become a regular employee" in response to the question "What kind of employment arrangement do you expect to be working under three years later" was categorized as (1), those who selected "Expecting to continue working as a temporary worker" as (2), and those who selected "Have no idea" as (3). People who selected other answer options—"Expecting to become a contract worker," "Expecting to become a part-time or *arubaito* worker," "Expecting to be self-employed or managing an own business," "Expecting to be managing a family business," "Expecting to do household work," and "Other"—were excluded from the analysis data.

¹⁵ People who selected "Have no idea" were included in the analysis because such people accounted for the largest proportion, around 30%, of the total, compared with 15.9% for people who selected "Expecting to become a regular employee" and 29.9% for people who selected "Expecting to continue temporary work."

Table 8. Results of Analysis Concerning the Hope to Become a Regular Employee and Realistic Expectations

	Estimation 6			Estimation 7			Estimation 8		
	Probit Analysis			Multi-nominal logit analysis			Multi-nominal logit analysis		
	(Hoping to Become a Regular Employee = 1)			Base: (2) Expecting to continue temporary work			Base: (3) No idea of future employment arrangement		
	Marginal effect	Standard deviation	Asymptotic t-value	(1) Expecting to become a regular employee			(1) Expecting to become a regular employee		
			Coefficient	Standard deviation	Asymptotic t-value	Coefficient	Standard deviation	Asymptotic t-value	
Labor supply factors									
Gender D	0.1666	0.033	4.90 ***	0.5539	0.228	2.43 *	0.3444	0.213	1.61
Marital status D	-0.0442	0.023	-1.88 *	0.0191	0.163	0.12	0.0964	0.159	0.61
Age <30s>									
20s	0.0389	0.029	1.35	0.5916	0.193	3.06 **	0.1746	0.175	1.00
40s	-0.0743	0.028	-2.61 **	-0.4011	0.196	-2.05 *	-0.2831	0.193	-1.46
50s and older	-0.2391	0.040	-5.30 ***	-0.9520	0.381	-2.50 *	-0.7034	0.385	-1.83
History of illness D	-0.0847	0.027	-3.17 **	-0.2533	0.194	-1.31	-0.1181	0.183	-0.65
Employer factors (human resources)									
Last school <Junior/senior high school D>									
Technical college	-0.0136	0.034	-0.41	0.1777	0.231	0.77	0.0209	0.220	0.09
Junior college	-0.0097	0.032	-0.31	0.1345	0.226	0.60	-0.1361	0.220	-0.62
University/graduate school	0.0141	0.029	0.48	0.4799	0.196	2.44 *	0.1480	0.188	0.79
Period worked as a non-standard employee <More than 5 years>									
Less than 1 year	0.0764	0.030	2.51 *	0.5452	0.207	2.63 **	0.2100	0.190	1.10
1 to 3 years	0.0426	0.030	1.43	0.7619	0.197	3.86 ***	0.4477	0.176	2.55 *
3 to 5 years	0.0427	0.028	1.50	0.1308	0.192	0.68	0.2366	0.182	1.30
Employer factors (overall)									
Employer size [†] <100-299 employees>									
1-99 employees	0.1020	0.044	2.27 *	0.3250	0.305	1.07	0.4913	0.284	1.73
300 to 999 employees	-0.0016	0.030	-0.05	-0.1503	0.207	-0.73	0.0149	0.196	0.08
1000 or more employees	-0.0121	0.028	-0.44	0.0247	0.191	0.13	0.0791	0.181	0.44
Job type <Clerical>									
Medical/welfare service	0.0325	0.061	0.53	0.4595	0.406	1.13	0.1858	0.367	0.51

Sales	0.0447	0.067	0.66	0.5290	0.453	1.17	0.4558	0.416	1.10	
IT engineering/creative	-0.0864	0.039	-2.20 *	-0.4856	0.255	-1.90	-0.0519	0.255	-0.20	
Other professional	0.0178	0.038	0.47	-0.7176	0.250	-2.87 **	-0.5648	0.247	-2.29 *	
Manufacturing	-0.0141	0.043	-0.33	0.0942	0.307	0.31	-0.4082	0.275	-1.48	
Light manual labor	-0.1073	0.061	-1.72	0.0636	0.446	0.14	-0.2397	0.402	-0.60	
Prefecture-by-prefecture unemployment rate	0.0308	0.015	2.11 *	-0.0625	0.105	-0.60	0.0360	0.100	0.36	
Total period worked at the current employer <More than 3 years>										
1 year or less	0.0257	0.032	0.80	0.3571	0.217	1.65	0.1536	0.208	0.74	
1 to 3 years	-0.0197	0.027	-0.73	0.1093	0.186	0.59	-0.0102	0.182	-0.06	
<i>Employer factors (management and use of temps)</i>										
Employer-provided OJT D	0.0508	0.024	2.12 *	0.1303	0.166	0.78	0.0104	0.159	0.07	
Job's degree of routineness	0.0614	0.014	4.42 ***	0.3059	0.096	3.18 ***	0.0657	0.091	0.73	
Records of conversion into regular employees [†]	0.0250	0.022	1.11	0.5387	0.152	3.54 ***	0.4945	0.144	3.44 ***	
<i>Temp agency factors (management)</i>										
Agency-provided Off-JT (Number of lectures)	0.0077	0.007	1.10	-0.0239	0.046	-0.52	0.0447	0.045	0.98	
Frequency of agency-worker consultation (Frequency: 6 scales)	0.0022	0.007	0.30	-0.0888	0.050	-1.79	-0.0832	0.046	-1.81	
Agency's job assignment (Continuous assignment=1)	0.0092	0.023	0.40	-0.2705	0.153	-1.77 *	0.3666	0.151	2.43 *	
Hourly wages	-0.0001	0.000	-2.22 *	0.0001	0.000	0.48	0.0001	0.000	0.40	
Gap between desired and actual wages	0.0003	0.000	4.96 ***	0.0001	0.000	0.28	0.0004	0.000	1.25	
Contract period <1 year or longer (long-term)>										
Less than 3 months (short-term)	-0.0768	0.043	-1.75	-0.2111	0.322	-0.65	-0.3764	0.286	-1.32	
3 to 12 months (medium-term)	-0.0069	0.023	-0.29	-0.3950	0.161	-2.45 *	-0.3628	0.153	-2.37 *	
Job security concern (Concerned=1)	0.2158	0.022	9.75 ***	-0.5860	0.155	-3.77 ***	-1.0027	0.148	-6.79 ***	
Job search activity <Doing nothing>										
Conducting specific activity	-	-	-	2.1116	0.319	6.63 ***	1.7975	0.290	6.20 ***	
Collecting information online	-	-	-	1.1333	0.159	7.11 ***	0.6405	0.149	4.31 ***	
Constant term	-	-	-	-1.4279	0.695	-2.05 *	-1.1056	0.672	-1.65	
Sample size	2410			1569						
Log likelihood	-1521.1571			-1512.619						
Pseudo coefficient of determination	0.0894			0.1126						

Note: *** 0.1%, ** 1%, * 5% significant. Items in < > are reference groups. D indicates dummy variables. [†] indicates data collected through the survey on employers.

point out differences compared with the results regarding the hope to become a regular employee (Estimation 6).

Regarding the variables related to human resources, it was found that people expecting to become a regular employee are more likely than those expecting to continue working temporary work to have a university or graduate school degree (Estimation 7). As for the period worked as a non-standard employee, people who have the experience of working as such for less than three years are likely to expect to become a regular employee (Estimation 7), a slightly longer period compared with people hoping to continue temporary work (Estimation 6). However, a significant difference is not observed concerning workers who have the experience of working as a non-standard employee for more than three years and no difference is observed concerning workers who have the experience of working as a non-standard employee for more than five years.

As pointed out by Genda (2008), people who have the experience of working as a non-standard employee for some period of time have a better chance than those with no such experience to become a regular employee due to the screening effect. However, as Hori (2007) pointed out, it may be difficult for people who have worked as a non-standard employee for more than three years to quit that status.

What is notable about the variables regarding the employer's use and management of temporary agency workers is that "records of conversion into regular employees" indicated a positive correlation with expectation concerning future employment status in Estimations 7 and 8 even though it did not show a significant correlation in Estimation 6. This suggests that workers' expectation as to the possibility of becoming a regular employee is significantly affected by the actual chance available at their current employer.

Regarding the factors related to temporary staff agencies, "agency's job assignment" showed a negative correlation in Estimation 7 even though a significant correlation was not indicated in Estimation 6. This suggests that people expecting to continue temporary agency work are more likely to receive job assignment continuously than people expecting to become a regular employee, who in turn are more likely to do so than people with no idea of their future employment arrangement. Presumably, if workers continue to receive job assignment continuously, they are encouraged to continue temporary agency work, and if no job is assigned, they are at a loss as to what employment arrangement they will work under in the future. As for the contract period, people working under a contract of one year or longer are more likely to expect to become a regular employee than those working under a contract of less than one year.

Finally, I will look at the correlation between job security concern and job search activity. As a result of the analysis using job security concern as a variable, it was found that people expecting to become a regular employee are less likely to be concerned about job security than people expecting to continue temporary work and people with no idea of their future employment arrangement. Meanwhile, analysis using job search activity as a variable showed that people expecting to become a regular employee are typically conducting spe-

cific job search activity, while people expecting to continue temporary work and people with no idea of their future employment arrangement are not.

From the above, it can be concluded that the hope to become a regular employee stems from job security concern. Meanwhile, people expecting to become a regular employee are less likely to have job security concern. That is presumably because such people are typically working for employers who have converted temporary agency workers into regular employees in the past and are conducting specific job search activity. As for the contract period, people working under a contract of one year or longer are highly likely to expect to become a regular employee. On the other hand, people with no idea of their future employment arrangement are typically likely to engage in manufacturing jobs, be older than people expecting to become a regular employee and have the experience of working as a non-standard employer longer than such people. In addition, they are highly likely to be concerned about job security. Thus, they face a more serious situation.

Through hearings, it was found that some people hoping to become a regular employee had worked as a temporary agency worker for a prolonged period of time as a result of repeatedly engaging in manual day jobs and other short-term work. What is common to such people is that they are strongly concerned about job security and that they are so financially squeezed that they cannot afford to conduct job search activity as they are busy scraping a living. Moreover, it is possible that if people continue to work as a temporary agency worker for a long period of time, their vocational skills could deteriorate. Recalling the days when he was engaging in a warehousing job, one temporary agency worker surveyed said he quit the job because he felt that he was losing his skills. In job search activity, continually working as a short-term temporary agency worker for a long period of time may result in a negative assessment of the worker's capabilities. If people continually work as a temporary agency worker for a long period of time, they could get trapped in a vicious circle of a financial squeeze reducing the opportunity to conduct job search activity and to develop vocational skills.

V. Summary and Consideration

Above, I conducted analysis regarding factors for the choice of temporary agency work, mainly by workers working on a short-term contract, as well as workers' job security concern, their hope to become a regular employee and realistic expectations. Finally, I will summarize the analysis results and offer my thoughts based on knowledge gained from hearings with workers.

- i. Short-term workers are typically more likely than long-term workers to be women in their 20s or 30s with a junior or senior high school diploma. They are likely to engage in sales, manufacturing or light manual labor jobs, rather than clerical jobs. They are also likely to be working in prefectures where the unemployment rate is high, which

means that short-term workers presumably increase during recession. It was also found that short-term workers are likely to be people who have experienced illness that could affect their working ability since graduating from the last school. From the hearings, it was also found that working on a short-term contract is a working arrangement necessary for people who want to work while recuperating from some illness or other, including mental disease. However, if workers are forced to continue working on a short-term contract for an extended period of time for health reasons, they will face difficulty resuming a normal working life. Recently, efforts to introduce mental health care in the workplace have been stepped up, and programs to help recuperating workers return to the workplace through labor-management collaboration have been implemented¹⁶. However, such programs are mainly targeted at regular employees, and efforts to support non-regular employees have lagged behind. Working as a temporary agency worker is a necessary option for people recuperating from illness to return to the workplace. Therefore, the government should meet this social demand by cooperating with temporary staff agencies.

- ii. Factor analysis regarding job security concern showed that short-term workers in their 30s are more likely to be concerned about job security than workers in their 20s and that people with a history of illness are more likely to have job security concern than people with a clean slate. In addition, it was also found that workers engaging in jobs that do not enable them to use their capabilities or experiences and those who infrequently hold consultation with their agencies are likely to be concerned about job security. Moreover, people working under a contract of less than three months are more likely to have job security concern than people working under a contract of one year or longer. On the other hand, the total length of the period worked as a temporary agency worker at the current temporary staff agency does not have any correlation with job security concern. From the hearings, it was found that after the Lehman Shock, some workers saw their contracts terminated after experiencing reduction of their contract period. The reduction of the contract period is presumably a sign of the termination of the contract in the near future. Even if the total length of the period worked as a temporary agency worker at the current employer is long, the worker's job security concern is not dispelled if he has been retained through repeated renewal of short-term contracts. Companies employing temporary workers on a short-term contract for a long-term job on the premise of repeated contract renewal should offer a long-term contract in the first place.
- iii. Factor analysis regarding the hope to become a regular employee showed that job

¹⁶ Workers targeted by mental health support discussed in roundtable discussions by Otsuka, Suzuki, and Takada (2007) and Ouchi et al (2010) are mainly regular employees.

security concern has a significant correlation with the hope to become a regular employee. On the other hand, it was found that people expecting to become a regular employee have little job security concern. Temporary agency workers expecting to become a regular employee are typically men in their 20s or 30s with a university or graduate school degree who have the experience of working as a non-standard employee for less than three years. They are also typically engaging in judgment-based jobs, rather than routine jobs, and working for employers who have converted temporary agency workers into regular employees in the past three years. People working under a contract of one year or longer are more likely to expect to become a regular employee than those working under a shorter contract. In short, the typical temporary agency worker who expects to become a regular employee is neither the type of short-term worker that is the main research subject of this paper nor the typical clerical temporary worker on a medium-term contract. These types of workers typically hope to become a regular employee but expect to continue working as a temporary agency worker or have no idea of what kind of employment arrangement they will be working under three years later. They are also strongly concerned about job security. In light of that, it is more urgent to dispel job security concern than to facilitate the path to a regular employee. To dispel job security concern, it is first necessary to extend the contract period for temporary agency workers. Employers should provide jobs in ways that enhance workers' vocational skills, while temporary staff agencies need to assign jobs in ways that enable workers to climb the career ladder.

In the hearings, short-term workers said that they were unable to devote themselves to job search activity because they were so financially squeezed and were busy scraping a living. While short-term temporary agency work is beneficial in that workers can earn quick money, there is the risk that if they continually work on a short-term basis for a long period of time, it will become difficult to quit that working style. Short-term workers will find it hard to decide on their own to quit the working style and will need appropriate advice from supporters and partners when exploring an exit. It is important to consider how to enable temporary staff agencies to cooperate in some way or other with the Hello Work job support centers (Public Employment Security Offices) and employment-supporting non-governmental organizations (NPOs) to assist short-term workers in that respect.

This paper classified temporary agency workers by the length of the contract period and conducted analysis regarding factors relating to the choice of employment arrangement and workers' perspective on employment. In the future, I would like to consider which types of contract, job and education and training provided by employers and temporary staff agencies facilitate the career formation of temporary agency workers. I would also like to examine what factors determine wages. Among other pending issues to be analyzed is how temporary agency workers are affected by repeated renewal of short- and medium-term contracts.

References

- Arulampalam, Wiji, and Alison L. Booth. 1998. Training and labour market flexibility: Is there a trade-off? *British Journal of Industrial Relations* 36 (4):521–36.
- Booth, Alison L., Marco Francesconi, and Jeff Frank. 2002. Temporary jobs: Stepping stones or dead end? *The Economic Journal* 112, no. 480:189–213.
- Genda, Yuji. 2008. Zenshoku ga hiseishain datta rishokusha no seishain he no iko ni tsuite [Transition into regular employment among separating non-regular employees]. *The Japanese Journal of Labour Studies* 50, no. 11:61–77.
- Hara, Hiromi. 2011. Hiseishain no kigyonai kunren ni tsuite no bunseki [The extent and effects of firm-provided training among non-regular employees in Japan]. Special issue, *The Japanese Journal of Labour Studies* 53:33–48.
- Hori, Yukie. 2007. Furita he no keiro to furita kara no ridatsu [Path to and exit from *freeter* status]. In *Furita ni tairyu suru wakamonotachi* [Young people trapped in *freeter* status], ed. Yukie Hori, chap. 2. Tokyo: Keiso Shobo.
- Japan Institute for Labour Policy and Training (JILPT). 2010a. Jinzai haken gaisha ni okeru kyaria kanri: Hiaringu chosa kara torokugata haken rodosha no kyaria keisei no kanosei wo kangaeru [Career management by temporary staff agencies: Reflecting on the possibilities of career formation for registered temporary agency workers based on a hearing survey]. JILPT research report no. 124, the Japan Institute for Labour Policy and Training, Tokyo.
- . 2010b. Jinzai haken gaish ni okeru kyaria kanri ni kansuru chosa (Hakenmoto chosa)[Survey concerning career management by temporary staff agencies (Temporary Staff Agency Survey)]. Research series no. 78, the Japan Institute for Labour Policy and Training, Tokyo.
- . 2010c. Haken shain no kyaria to hatarakikata ni kansuru chosa (Hakensaki chosha) [Survey concerning temporary agency workers' careers and working styles (Employer Survey)]. Research series no. 79, the Japan Institute for Labour Policy and Training, Tokyo.
- . 2011a. Haken shain no kyaria to hatarakikata ni kansuru chosa (Haken rodosha chosha) [Survey concerning temporary agency workers' careers and working styles (Temporary Agency Worker Survey)]. Research series no. 80, the Japan Institute for Labour Policy and Training (JILPT), Tokyo.
- . 2011b. Torokugata haken rodosha no kyaria pasu, hatarakikata, ishiki: 88 nin no haken rodosha no hiaringu chosa kara [Career path, working styles and perspectives of registered temporary agency workers: Findings of a hearings survey with 88 temporary agency workers]. JILPT research report no. 139-1, 2, the Japan Institute for Labour Policy and Training (JILPT), Tokyo.
- Kosugi, Reiko. 2003. *Furita to iu ikikata* [*Freeter* as a lifestyle]. Tokyo: Keiso Shobo.

- Okuda, Eiji. 2010. *Haken rodosha no hatarakikata to kyaria ni kansuru chosa: Haken rodosha 16-nin no daihyo jirei kara* [Survey concerning temporary agency workers' working styles and careers: 16 typical cases of temporary agency workers]. JILPT Report no. 8, the Japan Institute for Labour Policy and Training, Tokyo.
- Ono, Akiko. 2009. Torokugata haken rodosha no kyaria keisei no kanosei wo kangaeru: Senko chosa kenkyu sakei to kigyo jirei chosa kara [Thinking of potential of career development for registered temporary agency workers: From preceding research surveys and enterprise case researchs]. JILPT discussion paper no. 09-04, the Japan Institute for Labour Policy and Training, Tokyo.
- Otsuka, Yasumasa, Ayako Suzuki, and Misato Takada. 2007. Shokuba no mentaru herusu ni kansuru saikin no doko to sutoresu taisho ni chumoku shita shokuba sutoresu taisaku no jissai [Recent trends in occupational mental health in Japan and a stress prevention practice focusing on stress coping]. *The Japanese Journal of Labour Studies* 49, no. 1:41–53.
- Ouchi, Shinya, Yoshihide Sano, Staffs of Human Resource Department and Union Officials. 2010. Tayona kenko jotai no rodosha to jinji kanri [Workers in various health condition and the human resource management of them]. *The Japanese Journal of Labour Studies* 52, no. 8: 56–73.
- Sano, Yoshihide, and Koji Takahashi. 2009. Seihin kaihatsu ni okeru haken gijutsusha no katsuyo: Hakensaki ni yoru gino kojo no kikai teikyo to shigoto iyoku [Management of dispatched engineers in the Japanese R & D sections: The training opportunity at user's R & D workplace and its effect on engineer's motivation]. *The Japanese Journal of Labour Studies* 51, no. 1: 13–28.
- Sato, Hiroki. 2006. Haken sutaffu no tayona shugyo ishiki to haken gaisha, hakensaki kigyo no kadai [Temporary agency staff's various perspectives on employment and challenges for temporary staff agencies and employers]. In *Haken sutaffu no shugyo ishiki, hatarakikata to jinji kanri no kadai* [Temporary agency staff's perspectives on employment and working styles and challenges for personnel management], ed. Hiroki Sato, Tomoyuki Shimanuki and Koji Takahashi, 9–19. RSI Research Paper Series no.9, Department of Research on the Staffing Industry, Institute of Social Science, University of Tokyo, Tokyo.
- Sato, Hiroki, and Shizuko Koizumi. 2007. *Fuantei koyo to iu kyozo: Pato, furita, haken no jitsuzo* [Fiction of Unstable Employment: Reality of part-timers, *freeters* and temporary agency workers]. Tokyo: Keiso Shobo.
- Sato, Hiroki, Yoshihide Sano, Koji Takahashi, and Hidetada Azuma. 2008. *Seihin sekkei bunya ni okeru gijutsusha haken kigyo no kyaria kanri (2): Gijutsusha kojiri anketo chosa kara* [Career management by engineering temporary staff agencies in the field of product design (2): Findings of a questionnaire survey on individual engineers]. RSI Research Paper Series no.13, Department of Research on the Staffing Industry, Institute of Social Science, University of Tokyo, Tokyo.

- Shimanuki, Tomoyuki. 2007. Haken rodosha no jinji kanri to rodo iyoku [Influence of temporary worker human resource management on work motivation]. *The Japanese Journal of Labour Studies* 49, no. 9:17–36.
- Tachibanaki, Toshiaki, and Kunio Urakawa. 2007. Nippon no hinkon to rodo ni kansuru jissho bunseki [An empirical analysis on poverty and labour in Japan]. *The Japanese Journal of Labour Studies* 49, no. 6:4–19.
- Tsuru, Kotaro. 2010. Shinkokuka suru koyo no nikyokuka [Deepening polarization of employment]. *Nihon Keizai Shinbun*, May 11, 2010.
- Yuda, Michio. 2010. Kenko jotai to rodo seisansei [Health status and labor productivity]. *The Japanese Journal of Labour Studies* 52, no. 8:25–36.

Is Temporary Work “Dead End” in Japan?: Labor Market Regulation and Transition to Regular Employment

Masato Shikata

The Research Institute for Socionetwork Strategies, Kansai University

This paper examines the transition from temporary to permanent or regular employment in Japan, using panel data (Keio University Household Panel Survey, KHPS). Employment protection legislation (EPL) in Japan for regular employees is more rigorous than the average of OECD countries even though it is weaker for temporary workers. Those currently engaged in temporary work may be at “dead ends” on their way to become regular employees. Making a comparison between Japan and European countries, it became clear that Japan had the lowest possibility of transition from temporary to regular employment. Focusing only on men, however, 30% of temporary workers find regular employment each year. This is nearly equal to the lowest rates of transition among European countries. Analyzing gender differences of the rate of transition in Japan, there was a substantial gap between women and men, irrespective of age or employment status. In particular, the rate of transition to regular employment within the same firm was much lower among women than among men. In the case of temporary-agency workers who are assigned to the client companies to work only for a limited period, they are less likely to find regular employment within the firm where they are working and more likely to become non-working.

I. Introduction

Most OECD countries have seen an increase in young people employed for part-time work and temporary work during the period between the 1990s and 2000s, and those engaged in temporary work have also increased among adults (OECD 2008). In Japan, these types of employment, collectively referred to as non-standard employment, have become a social problem. Non-standard workers are not only at a disadvantage due to their contractual status for only a fixed term or short term, but also they are treated differently from standard workers in that they are subject to lower wages than standard workers and excluded from the welfare and pension programs provided for standard workers.¹

It is pointed out that young people find it more difficult to get out of temporary or

¹ In this study, the term “temporary employment/worker” refers to employment as fixed-term contract workers or as temporary-agency workers. The term “non-standard employment/worker” refers to workers other than those called “*seishain* (regular employees)” at each firm. Workers in non-standard employment are called with various names, such as *pato* (part-time worker), *arubaito*, *shokutaku*, *keiyaku*, and the like. In Japan, not all non-standard workers are hired under fixed-term employment contracts. The category of non-standard worker is often used to indicate workers whose work conditions are different from those of regular employees in terms of the wage level, working hours, scope of duties, and degree of engagement in compulsory duties. For typical characteristics of non-standard employment in Japan, see Duell et al. (2010), Box 1.1.

non-standard employment. Kondo (2007) clearly showed that their failure to find standard employment as their first job made it difficult for them to find standard employment thereafter. Sakai and Higuchi (2005) and Hori (2007) stated that it has become less likely these years that young people who work as non-standard workers or have no employment will find jobs as regular employees. If the transition from non-standard to standard employment rarely takes place in the future, the pay gap between temporary workers and regular workers will increase along with the increase in age and the length of service (e.g. Ministry of Health, Labour and Welfare [MHLW] 2011; Yanagida and Miyoshi 2006; Furugori 1997). When today's young people become older, the income disparity will further expand. To avoid such a situation, policy measures must be implemented to promote the transition from non-standard to standard employment.

However, as the distinction between non-standard workers and standard workers involves the difference in terms of the degree of engagement in compulsory duties and the scope of duties assigned, it is considered to be a matter of the employment management of each firm and partly excluded from employment regulation by law. Therefore, the main subjects of employment legislation are related to fixed-term contracts and contracts for temporary-agency workers.

In fact, many countries regulate the practice of hiring temporary workers for the purpose of having them engaged in long term work in the same manner as regular workers. Specifically, there are limitations to the term of contract and the extension of contracts for temporary employment, thus when firms intend to hire temporary workers beyond the statutory maximum period, they have to re-hire them as regular workers without fixed terms. Hence, if regulation of temporary employment is tightened, this would facilitate the transition from temporary to regular employment. However, if firms are not allowed to hire temporary workers for a longer term, this would increase the possibility of unemployment for temporary workers.

In Japan, regulation of temporary employment is relatively loose. Although there is an upper limit to the term of contract for fixed-term employment, the contract may be extended or renewed without limitation, which enables firms to in effect hire fixed-term contract workers for a long term. On the other hand, there is a law that sets an upper limit to the period of continuous employment with respect to temporary-agency workers. In order to use workers assigned from temporary staff agencies continuously for three years or more, firms must hire these workers as their regular employees.

Regulation of temporary employment must also be considered in connection with regulation of regular employment. If it is easy to dismiss regular workers, firms can adjust their labor force by dismissing their regular workers and they will not have to hire temporary workers for labor adjustment. In this respect, if employment protection legislation for regular employment is weak, firms would be less motivated to hire temporary workers for labor adjustment. On the contrary, when protection legislation for regular employment becomes stringent, it might be difficult to dismiss regular workers after hiring them, so firms

Table 1. Share of Temporary Employment in OECD Countries, by Age (2010) (%)

	Men			Women		
	15-24	25-54	55-64	15-24	25-54	55-64
France	52.9	9.7	8.3	58.0	12.4	8.7
Germany	58.8	9.2	4.7	55.5	10.4	4.5
Italy	44.9	9.3	6.7	49.3	13.2	5.4
Japan	26.1	4.5	10.1	27.1	18.9	23.1
Spain	58.7	22.9	9.3	58.4	24.9	11.4
Sweden	51.1	9.4	5.4	63.1	12.7	5.5
United Kingdom	14.3	4.0	4.7	13.0	5.2	5.4
OECD countries ¹	26.4	9.0	8.7	24.2	10.8	9.8

Source: OECD, Temporary Employment Database.

Note: ¹Unweighted mean for OECD countries other than those specified above.

would have a greater incentive to enter into fixed-term contracts with workers. Concurrently, the transition from temporary to regular employment would be less likely to take place as firms would be less inclined to convert their temporary workers to regular workers.

OECD (2006) clearly showed that in European countries where employment protection legislation (EPL) for regular employment is stricter, the share of temporary employment is higher and the rate of transition from temporary to regular employment is lower. According to the EPL indicator compiled by OECD (2004), Japan’s EPL is stricter for regular employment and is less strict for temporary employment compared to the OECD average. This may be the reason that temporary employment accounts for a larger proportion in Japan and it is more difficult for workers to shift from temporary to regular employment.

Table 1 shows the share of temporary employment in OECD countries. As for men, the share of temporary employment among young people in Japan is on a level equal to other OECD countries but is lower among people aged between 25 and 54. As for women, the share of temporary employment substantially declines in many OECD countries in the 15-24 age group and the 25-54 age group, whereas the decline in share is not so large in Japan. As a result, unlike men, the share of temporary employment among women aged between 25 and 54 is high in Japan.

The share of temporary employment in Japan is not high as compared to the level in other countries. However, the situation in Japan possibly makes the transition from temporary to regular employment rather difficult because EPL is relatively strict for regular employment and it is less strict for temporary employment. This paper examines the transition from temporary to regular employment in Japan through analysis using panel data. If the path from temporary to regular employment is fully open, temporary employment is regarded as a “stepping stone” toward becoming a regular employee, but if it is not, tempo-

rary employment is a sort of ‘dead end’. In the real world, it is impossible to assume a situation where there is no transition from temporary to regular employment, so whether temporary employment is a stepping store or dead end is an issue related to the level of such transition. In this paper, the situation in Japan is compared with the situation in European countries, in order to explore the level of transition from temporary to regular employment in Japan. Then, analysis is conducted concerning whether such transition takes place in the internal or external labor market, in light of various attributes of workers such as gender, age, and length of service, with the goal of clarifying the characteristics of temporary employment in Japan.²

The composition of this paper is as follows. Section II reviews the prior studies. Section III explains the data used for the analysis. Section IV compares Japan and Europe with regard to the transition from temporary to regular employment, and examines two patterns of transition in Japan, intra-firm transition and inter-firm transition. Section V demonstrates a multivariate analysis of the probability of transition from temporary to regular employment. Section VI presents the views on the transition from temporary to regular employment in Japan.

II. Prior Studies and Analysis Goals

In European countries, EPL is related to the share of temporary employment or the rate of transition from temporary to regular employment. This section reviews the prior studies that inquired into the state of transition in each country.

Booth, Francesconi, and Frank (2001) analyzed the situation in England, where EPL is relatively weak both for regular employment and temporary employment and the percentage of fixed-term contract workers is low. They stated that more than 80% of temporary workers became regular workers within five years. In another report, they clarified that when female temporary workers became regular workers, their wage level is almost equal to the average wage of regular workers who have never been in temporary jobs (Booth, Francesconi, and Frank 2002). From these findings, they concluded that fixed-term employment provides a “stepping stone” to regular employment.

Hoffmann and Walwei (2003) researched the situation in Germany, where ELP for regular employment is stricter than the OECD average and ELP for temporary regulation is on a par with the average, and stated that temporary employment contracts function as “stepping stones” to regular, full-time employment, based on the time-series data which

² Shikata (2010) conducted the same analysis as the one utilized in this paper, by applying the distinction between standard and non-standard employment instead of the distinction between temporary and regular employment. According to the analysis results in this study based on the latter distinction, the following facts can be pointed out: (i) the rate of transition from non-standard to standard employment is lower than the rate of transition from temporary to regular employment; and (ii) there is a large gender gap in the transition from non-standard to standard employment within the same firm.

show that the temporary employment rate maintains a certain level and moves widely.

Unlike Japan, EPL in Italy is less strict than the OECD average in relation to regular employment and stricter than the average in relation to temporary employment. Gagliarducci (2005) focused on this country in his analysis and demonstrated that the longer the term of contract, the higher the probability for fixed-term contract workers to become regular workers, and that workers who have experienced unemployment or repeated fixed-term jobs are less likely to find regular jobs.

In conducting analysis concerning the transition from temporary employment to other kinds of employment status, D’Addio and Rosholm (2005) used the data from the survey titled the European Community Household Panel (ECHP), in which 13 European countries participated. The analysis results indicated that for women, the longer they have been in temporary jobs, the higher the probability for them to find regular jobs, whereas for men, the longer duration in temporary jobs decreases such probability. They also suggested that women who have young children and older workers as well as men with low education levels have higher risk of becoming non-working, or in other words, these people are at “dead ends” in terms of their employment status.

Thus, the prior studies on European countries clearly showed that temporary employment is a “stepping stone” to regular employment, especially for women. On the other hand, there is a view that older workers, workers with lower education level, and workers who had been unemployed are more apt to lose temporary jobs and become unemployed, or in other words, these people would easily come to a “dead end.”

There are also prior studies that researched the situation in Japan. Aizawa and Yamada (2008), Genda (2008), and Pretel, Nakajima, and Tanka (2009) analyzed the transition from temporary or non-standard employment to regular or standard employment through job changes.

Aizawa and Yamada (2008) analyzed the data extracted from the Employment Status Survey (Statistics Bureau, Ministry of Internal Affairs and Communications (MIC)), which were taken at five points in time during the period between 1982 and 2002, and clarified the changes in the employment status of workers who changed their jobs. They found many facts in the analysis, and in connection with the theme of this paper, i.e. transition from temporary to regular employment, they demonstrated that people with a higher education level can shift from non-regular to regular employment more easily, and that those who have been in non-regular jobs for a longer period are less likely to find regular jobs. As for the trends over time, they stated that the percentage of those who move from a non-regular job to another non-regular job has increased over the past 20 years, whereas the movement from non-regular jobs to regular jobs has been stagnant since the beginning of the 1990s.

Genda (2008) used the data from the Employment Status Survey 2002 and analyzed the transition to standard employment among persons who left their previous non-standard jobs. The key finding that he mentioned is that non-standard workers who had worked for two to five years for the same firm before leaving their job are more likely to find standard

jobs.

Pretel, Nakajima, and Tanka (2009) also used the sample data extracted from the Employment Status Survey 2002, regarding young men within three years from graduation, and made structural estimation of the probability of transition from non-standard to standard employment. They stated that in the short term, those who started to work as non-standard workers after graduation are more likely to become standard workers as compared to those who found no employment after graduation, but the simulation results show that there is no disparity between the two groups in the long term, so non-standard employment can be regarded as neither “dead end” nor “stepping stone.”

The Employment Status Survey, which was used as the data source in these prior studies, allows us to capture changes in the employment status only by means of the survey items concerning a job change, so it is not appropriate for analyzing changes in the employment status within the same firm. Because of this, the analyses that used the Employment Status Survey may have been successful only partially in grasping the state of transition from temporary to regular employment or from non-standard to standard employment.

In addition, Genda (2008) targeted non-standard workers who left their jobs and analyzed the probability of transition from non-standard to standard employment on condition of separation from employment. Because of this, workers who continued to engage in non-standard jobs without changing their firm due to lack of opportunities for standard employment are excluded from the scope of analysis subjects.

Genda (2009) and JILPT (2010) also covered the transition from non-standard to standard employment within the same firm. Genda (2009) targeted the respondents in the Internet survey and analyzed the situation of standard workers who once worked as non-standard workers. In his study, Genda clarified important points including: (i) in the case of intra-firm transition, those who shifted from non-standard to standard employment are more likely to engage in the same job and stay at the same workplace before and after the transition; and (ii) between intra-firm transition and inter-firm transition, there is no significant difference in terms of the impact on the wage function.

However, since Genda (2009) took a sample of standard workers who once worked as non-standard workers, those who remained in non-standard employment are excluded from the scope of analysis subjects, as in the case of his study in 2008. For this reason, while discussing the transition from non-standard to standard employment within the same firm, Genda (2009) did not analyze the probability of transition from non-standard to standard employment in a true meaning, but targeted workers who experienced the transition from non-standard to standard employment and estimated the possibility that their transition took place within the same firm. The probability thus estimated is different from the probability of non-standard workers becoming standard workers within the same firm. In order to analyze the latter probability, it is necessary to target all non-standard workers at a specific point in time and estimate the probability that these employees become standard workers within a certain period of time.

Based on the survey that it independently conducted, JILPT (2010) clarified that about 40% of persons whose first job was non-standard employment became standard workers, and that of all cases of transition from non-standard to standard employment, about 20% were through the promotion within the same firm and about 80% were through the movement between firms. However, this study used the data of the employment survey of workers aged between 25 and 44, and while the entire sample have employment records at the age of 25 and younger ages, the share of the sample who have employment records beyond the age of 25 becomes smaller as the age of the sample increases; as a result, the employment period at younger ages (in one’s 20s) was overvalued in the tabulated historical data.

To summarize the above, in connection with the relevance between labor market regulation and temporary employment, the prior studies overseas suggest that since Japan implements stricter regulation for regular employment and less strict regulation for temporary employment compared to other OECD countries, the transition from regular to temporary employment may be less likely to take place. However, as most of the prior studies in Japan took up non-standard employment instead of temporary employment as the analysis theme, it has been difficult to compare the situation in Japan with the situation in other countries, and the issue of fixed-term contracts has rarely been discussed. Another problem with these prior studies is that they did not fully examine the transition from temporary to regular employment that takes place in the internal labor market. In order to verify these points, analysis is conducted in the sections below with regard to the transition probability of temporary workers becoming regular workers within a certain period of time, separately for intra-firm transition and inter-firm transition, using panel data.

III. Explanation of Data

The data used for the analysis in this paper are a panel data taken from the Keio Household Panel Survey (KHPS) that was conducted by the Keio/Kyoto Joint Global Center of Excellence Program, for six years from 2004 to 2009. The subjects of the first survey were 4,005 men and women aged between 20 and 69, selected by two-stage stratified random sampling. In the 2009 survey, the sample size was 2,290 (cumulative survival rate: 57.2%). From 2007, the survey targeted additional 1,419 men and women selected by the same sampling method. In this study, for the statistical analysis of the patterns of transition from temporary to regular employment in Japan, the initial sample taken for the 2004 survey was used in order to ensure sample representativeness, and when conducting a multivariate analysis which requires a larger sample, the additional sample introduced in 2007 was also used.

As this study aims to examine the changes in the employment status between the survey year and the following year regarding persons who were in temporary employment in

the survey year, the sample data used in this study are limited to those who continued to be included in the sample for two or more survey periods and who were in temporary employment during their first survey period. For the purpose of cleaning the sample, students and workers categorized as “agricultural, forestry or fishery worker,” “mineworker,” “manager,” and “other” are excluded from the analysis subjects.

IV. Transition from Temporary Employment

1. Comparison between Japan and European Countries with Regard to Transition from Temporary to Regular Employment

This section first examines to what extent the transition from temporary to regular employment has taken place in Japan, through comparison with European countries. The data on European countries used here are extracted from the table in the report of OECD (2006), compiled by using the European Community Household Panel (ECHP), with the exception that the data for Japan are compiled from the KHPS data by the same method. The analysis focuses on the proportion of workers who shifted from temporary employment (as fixed-term contract workers and temporary-agency workers) to regular employment.

Table 2 indicates the share of temporary workers aged between 25 and 64 in each country in terms of employment status as of one year or three years after the reference year. It ranks the countries in descending order of the percentage of those who shifted to regular employment within one year. In Luxemburg, Austria, and the United Kingdom, more than half of the sample became regular workers within one year. On the other hand, in Southern European countries such as Greece, Spain, Portugal, and Italy, and in France, the share of those who shifted from temporary to regular employment within one year was at a low level, less than 30%. In Japan, the percentage of those who became regular workers within one year was lower than the above low level in the latter group of European countries, whereas the share of those who became non-working within one year is relatively low in Japan.

The major characteristic of the situation in Japan, the lower frequency of transition from temporary to regular employment, is observed more clearly in the employment status of temporary workers as of three years after the reference year. Even in France and Southern European countries where the percentage of those who became regular workers within one year is low, nearly half of the sample became regular workers within three years (except in Greece), and in all countries except for Japan, the percentage of those who became regular workers is higher than that of those who became temporary workers. However, in Japan, only about 25% of the sample shifted to regular employment within three years. The situation in Japan where many temporary workers remained in temporary employment even after three years had passed is in contrast to the situation in European countries where many workers shifted to regular employment after engaging in temporary jobs only as a one-time experience.

Table 2. International Comparison of the Employment Status of Temporary Workers as of One Year or Three Years after the Reference Year (among Men and Women Aged between 25 and 64)

	1 year after			3 years after		
	Regular worker	Temporary worker	Non-working	Regular worker	Temporary worker	Non-working
Luxemburg	58.7	27.9	13.4	79.7	11.8	8.5
Austria	55.9	35.3	8.8	67.5	22.6	9.9
UK	51.9	29.9	18.3	63.4	15.1	21.5
Netherland	49.1	40.9	10.0	69.9	17.6	12.5
Germany	46.6	38.5	14.9	60.0	23.5	16.4
Belgium	45.0	49.3	5.6	71.4	23.2	5.4
Ireland	41.6	44.5	13.9	66.1	15.8	18.2
Denmark	35.2	46.2	18.6	61.3	20.5	18.2
Finland	31.2	45.6	23.2	44.7	30.0	25.3
Spain	29.1	52.4	18.5	46.0	37.5	16.5
Greece	28.3	49.1	22.6	36.0	47.8	16.2
Italy	27.2	49.7	23.1	47.2	30.3	22.5
Portugal	24.6	64.5	10.8	55.0	31.3	13.7
France	18.1	52.1	29.9	45.3	30.6	24.1
Japan (temporary)	17.5	72.1	10.4	24.9	59.7	15.4
Japan (non-standard)	7.5	81.5	11.0	10.7	71.5	17.8

Sources: European countries: Calculated based on *European Community Household Panel (ECHP)*, wave 5 (1998) to wave 8 (2001), from data between 1998 and 1999 for “1 year after” and data between 1998 and 2001 for “3 years after” (OECD, *Employment Outlook 2006: Boosting Jobs and Incomes*, Supplementary statistical material). Japan: Calculated by the author based on the Keio Household Panel Survey (KHPS), wave 1 (2004) to wave 5 (2008).

Notes: 1. Temporary workers include fixed-term contract workers and temporary-agency workers.
2. Data for “Japan (non-standard)” indicates the share of non-standard workers who became standard workers, remained in non-standard employment, or became non-working, respectively. “Non-standard worker” refers to workers categorized by the name of status into “*keiyaku*,” “*pato* (part-time),” “*arubaito*,” “temporary-agency worker,” or “*shokutaku*,” irrespective of whether or not they are under fixed-term contracts.

As mentioned earlier, in comparison with European countries, EPL in Japan is less strict for fixed-term contract workers and temporary-agency workers and stricter for regular workers. Seeing this feature of the Japanese labor market, it is assumed that the transition from temporary employment (as fixed-term contract workers or temporary-agency workers)

to regular employment is less likely to take place, and in reality, the transition takes place less frequently in Japan than in European countries.³

For Japan only, Table 2 indicates the results based on the distinction between non-standard employment and standard employment as well. The change from non-standard to standard employment is smaller than the change from temporary to regular employment for both one year and three years after the reference year. This suggests that the transition from non-standard to standard employment is extremely unlikely to take place in Japan.

2. Patterns of Transition from Temporary to Regular Employment in Japan

Next, in order to clarify the characteristics of the transition from temporary to regular employment in Japan, analysis is conducted by gender, age, and employment status, and in particular, separately for intra-firm transition and inter-firm transition. The sample used here is limited to persons aged 59 or younger, in order to minimize the influence of those who retire at the mandatory retirement age.

The employment status of temporary workers one year after the reference year is categorized as follows: (i) regular worker within the same firm; (ii) regular worker at another firm; (iii) temporary worker at another firm; (iv) non-working; and (v) no change. Here, in the case where persons who were temporary workers in a given survey year have become regular workers by the next survey year, these persons are deemed to have experienced the transition to regular employment. The distinction between (i) regular worker within the same firm and (ii) regular worker at another firm comes from whether or not the worker has changed their job.⁴

The state of transition from temporary employment is indicated in Table 3, by age. As for the rate of transition to regular employment among men in all age groups, the rate of intra-firm transition is higher than the rate of inter-firm transition, suggesting that men

³ However, the regression analysis of the level of transition from temporary to regular employment in each country, conducted by applying the EPL indicator which represents the strictness of regulation, does not clearly show the relevance between EPL and transition. Contrary to what was expected, the rate of transition to regular employment is lower for the countries that implement stricter EPL for temporary employment. However, the rate of transition from temporary to regular employment is lower as EPL for regular employment becomes stricter, although this is not a significant result. Presumably, this result may signify that variations in labor status, including job change and separation from employment, are smaller in countries with stricter EPL, rather than representing the relevance between the EPL indicator and the transition from temporary to regular employment. How the transition from temporary to regular employment changes when EPL on temporary employment becomes stricter may be the issue that remains to be analyzed in future study.

⁴ The concepts of “job change” and “separation from employment” are defined as follows. In response to the question in the KHPS, “Are you working at the same job as the one for which you were working one year ago?”, those who answered “I am at a different company or organization from the one where I was one year ago” are categorized as “job change,” and those who answered “I quit the job I had one year ago, and I am not working” are categorized as “separation from employment.” Those who were in employment at time t and were non-working at time $t+1$ are categorized as “transition to non-working.”

Table 3. Transition from Temporary Employment (Employment Situation as of One Year after) among Workers Aged 59 or Younger: By Age (%)

	No change	Regular worker within the same firm	Regular worker at another firm	Temporary worker at another firm	Non-working	Total	Sample size
<i>Men</i>							
20-29	57.1	33.3	2.4	2.4	4.8	100.0	42
30-39	46.9	21.9	9.4	3.1	18.8	100.0	32
40-49	60.9	30.4	4.3	4.3	0.0	100.0	23
50-59	68.1	19.4	4.2	2.8	5.6	100.0	72
Non-standard total	60.4	24.9	4.7	3.0	7.1	100.0	169
<i>Women</i>							
20-29	53.3	17.4	9.8	4.3	15.2	100.0	92
30-39	71.3	6.5	6.9	6.0	9.3	100.0	216
40-49	78.5	8.8	2.8	4.9	4.9	100.0	284
50-59	77.3	8.8	1.1	2.8	9.9	100.0	181
Non-standard total	73.2	9.2	4.4	4.7	8.5	100.0	773

Source: Compiled by the author based on KHPS.

Note: Students and workers categorized as “agricultural, forestry or fishery worker,” “mineworker,” and “unknown” are excluded from the analysis subjects.

shifted from temporary to regular employment mainly within the same firm.⁵ By age, the rate of transition to regular employment within the same firm is low among those aged between 50 and 59.

⁵ With regard to the gender gap in the transition from non-standard to standard employment, JILPT (2010) stated that, “While the ratio hovers around 10-20% among men in their 20s and early 30s, the ratio rarely exceeds 10% for women and stands low at 2-3% for women in their 30s.” This is not very inconsistent with the findings in this study. However, the survey discussed in JILPT (2010) showed that of all cases of transition from non-standard to standard employment, about 20% were transition through the promotion within the same firm and about 80% were transition through movement between different firms. This is considerably different from the result obtained in this study. Such difference between the survey in JILPT (2010) and this study can be partly explained by the fact that while the employment period at younger ages (in one’s 20s) is overvalued in historical data, the young sample is undervalued in panel data, because in the case of panel data, as the survey period extends, the survey subjects become older and the number of persons in the young sample decreases accordingly. In addition, as this study shows, the rate of transition to regular employment within the same firm among men does not decline along with the increase in age, whereas the rate of transition to regular employment at another firm sharply declines along with the increase in age. Hence, the rate of transition to regular employment at another firm would be higher based on the survey in JILPT (2010), which involved many cases of transition at younger ages, but the rate would be lower based on this study. Even taking this into account, the difference between the two is still large. The remaining difference may be due to various other factors, such as the difference in terms of the survey method, the interview survey in JILPT (2010) versus the drop-off and pick-up method in KHPS.

Table 4. Transition from Temporary Employment (Employment Situation as of One Year after) among Workers Aged 59 or Younger: By Employment Status (%)

	No change	Regular worker within the same firm	Regular worker at another firm	Temporary worker at another firm	Non-working	Total	Sample size
<i>Men</i>							
Part-time worker	64.7	20.6	5.9	2.9	5.9	100.0	34
Temporary-agency worker	53.3	26.7	3.3	3.3	13.3	100.0	30
Other	61.0	25.7	4.8	2.9	5.7	100.0	105
Total	60.4	24.9	4.7	3.0	7.1	100.0	169
<i>Women</i>							
Part-time worker	74.1	9.7	3.3	5.1	7.8	100.0	487
Temporary-agency worker	66.7	6.0	10.3	3.4	13.7	100.0	117
Other	75.1	10.1	3.6	4.1	7.1	100.0	169
Total	73.2	9.2	4.4	4.7	8.5	100.0	773

Source: Compiled by the author based on KHPS.

Note: Students and workers categorized as “agricultural, forestry or fishery worker,” “mineworker,” and “unknown” are excluded from the analysis subjects.

As for women, the rate of intra-firm transition from temporary to regular employment in all age groups is lower than that among men, indicating a large gender gap. By age, the rate of transition to regular employment, both intra-firm and inter-firm, is relatively high among young women.

Table 4 shows the state of transition from temporary to regular employment, by the employment categories of “part-time worker,” “temporary-agency worker,” and “other temporary worker.” Both among men and women, the rate of transition to regular employment does not differ significantly by employment status. By gender, the rate of transition to regular employment within the same firm is higher among men than among women for all kinds of employment status. In the category of part-time workers, which is the largest category, about 20% of men became regular workers within the same firm, whereas women who achieved such transition accounted for only 9%. The gender gap is also large in the categories of temporary-agency worker and other temporary worker. Thus, the gender gap in the rate of transition to regular employment within the same firm does not come from the difference between men and women in terms of employment status, but a gap exists between

men and women even for the same employment status.⁶

The following points should be noted with respect to temporary-agency workers: (i) the rate of transition to non-working is high among both men and women; (ii) the share of those who became regular workers within the same firm is high among men, whereas the share of those who became regular workers at another firm is high among women.

About 30% of men shifted from temporary to regular employment within one year, within the same firm or at another firm. This is close to the level of the class of European countries with comparatively low rates of transition from temporary to regular employment. On the other hand, the rate of Japanese women who shifted from temporary to regular employment within one year stands at a low level below 15%. Thus, in Japan, the phenomenon that temporary workers are at “dead ends” is particularly significant among women. In the section below, an attempt is made to inquire into how the gender and other attributes of workers influence their transition from temporary to regular employment by conducting a multivariate analysis.

V. Quantitative Analysis Regarding Transition from Temporary Employment

1. Analysis Method and Descriptive Statistics

The analysis shown below is a multivariate analysis regarding the transition probability of the employment status of temporary workers during the period from time t to time $t+1$. With the use of the multinomial logit model for estimation, the transition probability to be estimated can be formulated as follows.

⁶ The gender gap in the transition from temporary to regular employment is also observed in the Longitudinal Survey of Adults in 21st Century (MHLW), which is a panel survey targeting young adults. Looking at the table of results attached to the survey, among men and women aged between 20 and 34 who were in temporary employment in 2002, the percentage of men who shifted to regular employment is higher than that of those who remained in temporary employment, whereas the percentage of women who shifted to regular employment is about one-third that of those who remained in temporary employment. Here, a large gender gap is observed.

Employment Situation of Young Non-Standard Workers as of Five Years after
(from the Longitudinal Survey of Adults in 21st Century)

	Standard worker	Non-standard worker	Other worker	Unemployed/absent from work	Total
Men	46.4	34.5	10.7	8.4	100.0
Women	19.2	55.6	5.0	20.1	99.9

Source: Compiled by the author, based on MHLW, *Sixth Longitudinal Survey of Adults in 21st Century*.

Notes: 1. Data are collected with respect to persons who responded to the first to sixth surveys.

2. The sample for the first survey (2002) were men and women aged between 20 and 34.

$P_{j,t}$ denotes the transition probability that a worker who is in employment at time t will be in employment status j at time $t+1$, while $P_{0,t}$ denotes the probability that the worker maintains the initial status at time $t+1$. If these probabilities are formulated according to the multinomial logit model, the following simultaneous regression equation can be obtained:

$$\log\left(\frac{P_{j,t}}{P_{0,t}}\right) = \alpha_{jt} + \sum \beta'_j x_t \quad j=1, \dots, k$$

where

$$P_{0,t} + P_{1,t} + \dots + P_{k,t} = 1$$

By applying this analysis method, the influences of the explanatory variables on the respective transition probabilities can be estimated simultaneously. In this formula, α_{jt} is a variable representing the period of continuous employment until the shift to employment status j , x_t is a vector of explanatory variables, and β_j is its coefficient vector.

The descriptive statistics of explanatory variables, by gender, are shown in Table 5. The variable representing the period of continuous employment refers to the length of service. The percentage of those who were in service for a shorter period is higher among men than among women. From a demographic perspective, dummy variables for women, and workers' marital status and whether or not they have preschool-age children, as well as a categorical variable for age were also used. 83% of the entire sample is women. The percentage of those who are married is higher among women than among men.

In terms of the employment situation, the logarithmic value of hourly wage (the fixed salary divided by the fixed working hours), and categorical variables for the employment status, type of job, and firm size were used.

Another variable used in the analysis is associated with workers' perception concerning the reason for choosing temporary employment. In the question pertaining to the reason for such choice, the KHPS questionnaire provides four answer options, namely, 1. "I wanted to work as a regular employee but no company would hire me," 2. "The wages and working terms and conditions were good," 3. "I could not work as a regular employee due to personal reasons," and 4. "Other." Based on these options, a categorical variable is constructed by adopting Option 1 as representing "No opportunity for regular employment," Option 2 as representing "Satisfied with current work," and Options 3 and 4 as collectively representing "Other." The percentage of those who choose temporary employment due to "No opportunity for regular employment" indicates a large gender gap, standing at 35% among men, higher than the 15% among women. This suggests that the percentage of those who involuntarily choose temporary employment is higher among men.

As reviewed in the previous section, there is a large gap between men and women in terms of the transition from temporary to regular employment. In the next section, analysis is conducted in an attempt to discover whether this gender gap is caused by workers' attributes, such as their marital status and working attitude, or their perception concerning why they choose temporary employment.

Table 5. Descriptive Statistics

	Total	Men	Women
Length of service			
0 years	0.23	0.22	0.23
1 year	0.16	0.21	0.15
2-3 years	0.23	0.28	0.22
4 years or more	0.38	0.29	0.40
Dummy for women	0.83		
Married or unmarried	0.66	0.37	0.73
Married women	0.60		
Age			
≤ 29	0.14	0.24	0.12
30 to 39	0.26	0.18	0.28
40 to 49	0.33	0.14	0.37
50 to 59	0.27	0.44	0.23
Dummy for having preschool-age children	0.06	0.02	0.07
Education			
University or graduate school	0.20	0.33	0.17
Junior college or technical college	0.20	0.10	0.22
High school or junior high school	0.55	0.55	0.55
Other	0.06	0.02	0.07
Reason for choosing non-regular employment			
No opportunity for regular employment	0.19	0.35	0.15
Satisfied with current work	0.37	0.30	0.38
Other reasons	0.45	0.35	0.47
Hourly wage	6.88	7.08	6.84
Temporary-agency worker	0.15	0.18	0.14
Type of job			
Clerical worker	0.31	0.08	0.36
Service worker or salesperson	0.35	0.24	0.38
Laborer, etc.	0.19	0.58	0.11
Specialist or technical worker	0.14	0.10	0.15
Firm size			
Less than 30 employees	0.12	0.45	0.38
30 or more but less than 500 employees	0.41	0.39	0.42
500 employees or more	0.39	0.09	0.12
Public servant	0.07	0.07	0.07
Sample size	876	153	723

Source: Compiled by the author based on KHPS.

Notes: 1. “Hourly wage” is the logarithmic value of “the fixed salary divided by the fixed working hours”; the sample data falling within the highest and lowest one percent are excluded.

2. “Laborer, etc.” includes “Manufacturing, construction, maintenance or freight worker,” “Transportation or communications worker,” and “Public safety employee.”
3. Workers who fall within the categories of “Agricultural, forestry or fishery worker,” “Miner,” or “Manager” in terms of the “type of job” are excluded from the sample.

2. Analysis Results

The results of the analysis using the multinomial logit model with regard to the transition from non-standard employment are shown in Table 6. This table indicates the relative risk ratio (RRR) as well as the p-value calculated by using the coefficient and standard error, for each dummy variable. The RRR of the coefficient for each dummy variable can be interpreted as representing how many times larger an influence each variable has on the probability in question compared to the reference category. Hence, one can infer that an RRR exceeding 1 suggests a positive influence, whereas an RRR below 1 suggests a negative influence.

A Hausman test was then performed to examine the independence of irrelevant alternatives (IIA) assumption—the assumption that the ratio between the probabilities of two alternatives is independent from the existence of other alternatives—, which is used in the multinomial logit model. The test did not reject the null hypothesis that “For no alternative does the coefficient depend on the existence of any other alternatives.” This suggests that one cannot rule out the IIA assumption, so it seems valid to apply the multinomial logit model to estimate the transition probabilities relating to the abovementioned options.⁷

The variables in relation to the length of service are categorized as “one year in service,” “two to three years in service,” and “four years or more in service,” while setting less than one year in service as the reference category. A significant influence is observed for the case of four years or more in service, showing a decline in the probability of transition to regular employment within the same firm. The RRR also suggests that the longer the workers have been engaged in service, the less likely they are to become regular workers within the same firm.⁸

Even taking into account variables relating to gender and demographic aspects, such as workers’ marital status and whether or not they have preschool-age children, it is observed that the probability of transition to regular employment within the same firm is significantly lower among women than among men. The RRR shows that temporary female workers successfully became regular workers within the same firm only at half the rate of success of male workers. Furthermore, the chance for married women to become regular workers at another firm is low. By age, the probability of transition to regular employment within the same firm is higher among those in their 20s than among those in their 40s. This means that young people are more likely to become regular workers.

As for wages, the higher the wage rate, the lower the probability that workers became regular workers at another firm.

⁷ The survey conducted in this study using a multinomial logit model does not give due consideration to the heterogeneity among individuals that is not observed from the model. This point remains to be solved in future study.

⁸ It may be possible to assume that temporary workers who have been in employment for a longer period are less likely to become regular workers within the same firm because workers with higher skills tend to find regular employment at an earlier stage.

Table 6. Multinomial Logit Analysis of Transition from Temporary Employment, among Men and Women Aged between 20 and 59

Variable (Reference category)	Regular worker within the same firm		Regular worker at another firm		Temporary worker at another firm		Non-working	
	RRR	P-value	RRR	P-value	RRR	P-value	RRR	P-value
Length of service (zero years)								
1 year	1.13	0.72	0.61	0.36	1.04	0.94	0.61	0.28
2 to 3 years	0.72	0.31	0.68	0.45	0.92	0.85	0.71	0.34
4 years or more	0.37	0.00 **	0.40	0.11	0.35	0.05 +	0.69	0.28
Dummy for women	0.49	0.09 +	1.67	0.43	1.49	0.56	2.75	0.05 *
Married or unmarried	1.42	0.47	2.10	0.43	0.95	0.97	2.60	0.19
Married women	0.77	0.65	0.12	0.03 *	1.00	1.00	0.26	0.09 +
Age (40 to 49)								
≤ 29	2.76	0.01 **	1.49	0.58	1.79	0.36	2.95	0.04 *
30 to 39	0.81	0.52	1.94	0.20	1.53	0.31	2.32	0.04 *
50 to 59	1.12	0.73	0.60	0.47	1.02	0.97	2.17	0.05 *
Dummy for having preschool-age children	0.89	0.85	1.76	0.48	0.63	0.56	1.25	0.68
Education (high school or junior high school)								
University or graduate school	0.72	0.33	0.76	0.57	0.80	0.66	1.12	0.78
Junior college or technical college	1.61	0.11	0.78	0.62	0.81	0.66	0.81	0.61
Other	1.55	0.39	0.28	0.29	0.45	0.44	2.14	0.07 +
Reason for choosing non-regular employment (other reasons)								
No opportunity for regular employment	1.24	0.51	2.15	0.13	1.98	0.15	1.76	0.11
Satisfied with current work	1.14	0.61	1.36	0.51	1.05	0.91	1.00	0.99
Hourly wage	1.07	0.80	0.34	0.02 *	0.73	0.53	0.69	0.32
Temporary-agency worker	0.51	0.09 +	2.55	0.08 +	0.45	0.23	2.33	0.02 *
Type of job (clerical worker)								
Service worker or salesperson	0.87	0.68	2.56	0.04 *	0.56	0.17	0.99	0.98
Laborer, etc.	2.04	0.07 +	0.82	0.75	0.49	0.21	1.27	0.56
Specialist or technical worker	1.05	0.91	3.88	0.01 *	0.93	0.88	0.84	0.73
Firm size (500 employees or more)								
Less than 30 employees	3.23	0.00 **	1.57	0.50	0.91	0.88	3.10	0.01 **
30 or more but less than 500 employees	1.82	0.03 *	1.31	0.51	0.72	0.39	1.33	0.34
Public servant	1.25	0.66	1.44	0.70	0.24	0.16	1.08	0.91
No. of events	105		36		37		73	
Sample size					876			
Pseudo coefficient of determination					-740.32			
Log pseudo-likelihood					0.126			

Source: Estimated by the author, based on KHPS (2004 to 2009)

Notes: 1. The P-value is estimated by using the coefficient and robust standard error. ***: p-value<0.001; **: p-value<0.01; *: p-value<0.05; +: p-value<0.10.

2. “Hourly wage” is the logarithmic value of “the fixed salary divided by the fixed working hours”; the sample data falling within the highest and lowest one percent are excluded.
3. “Laborer, etc.” includes “Manufacturing, construction, maintenance or freight worker,” “Transportation or communications worker,” and “Public safety employee.”
4. Students and workers who fall within the categories of “Agriculture, forestry or fishery worker,” “Mineworker,” or “Manager” in terms of the “type of job” are excluded from the sample.
5. The dummy for age and dummy for Panel B are also used in the model.

Among temporary-agency workers, the probability of transition to regular employment within the same firm is low and the probability of transition to non-working is high. There is a legal limit to the term of contract applicable to temporary-agency workers, and if firms intend to hire these workers beyond the statutory maximum period, they have to re-hire them as regular workers without term. The analysis results infer that this legislation does not contribute to changing temporary-agency workers to regular workers but rather results in turning them into non-working persons.

By firm size, the probability of transition to regular employment within the same firm is significantly high for small or medium-sized firms with less than 30 employees or 30 to 499 employees. This suggests that it is difficult for temporary workers to become regular workers at large firms.

With regard to the perception variable concerning the reason for choosing temporary employment, the factors such as “no opportunity for regular employment” and “satisfied with current work” do not have a significant influence on the probability of transition to regular employment.

In summary, even taking into account the employment conditions and workers’ perception, the probability of transition to regular employment within the same firm is significantly low among women, so it can be said that it is difficult for female temporary workers to become regular workers.

VI. Conclusion

This study has clarified the following points.

- i. Comparing the situation in Japan with the situations in European countries, the rate of transition from temporary employment (as fixed-term contract workers or temporary-agency workers) to regular employment in Japan was the lowest. Moreover, based on another categorization by the name of status used to refer to workers, the rate of transition from non-standard to standard employment was lower than the rate of transition from temporary to regular employment (the latter is based on categorization by the type of employment contract).
- ii. The major pattern of transition from temporary to regular employment in Japan was intra-firm transition or transition on the internal labor market.
- iii. There was a large gender gap in the rate of transition to regular employment within the same firm, and a clear gap existed between men and women even among those with the same employment status or those in the same age group. The multivariate analysis, conducted by taking into account other factors such as wage, firm size, and reason for choosing temporary employment, demonstrated that the probability of transition to regular employment within the same firm among men is more than double the probability among women.
- iv. In the category of temporary-agency workers who may be hired for up to the statutory

maximum period, the probability of transition to regular employment within the same firm was significantly low, whereas the probability of transition to non-working was high.

- v. The probability of transition from temporary to regular employment within the same firm is low in the case of large firms, suggesting that it is difficult to become regular workers at large firms which tend to have favorable work conditions.
- vi. The results of the multivariate analysis showed that the longer the years in service for temporary employment, the lower the probability of transition to regular employment within the same firm.

When we think about the question raised at the beginning of this paper—in Japan, is temporary employment a “stepping stone” to regular employment or is it a “dead end” where it is difficult to shift to regular employment?—based on the analysis results shown above, we have to say that temporary employment is a “dead end” in Japan, because of the lower rate of transition to regular employment than in other countries. Focusing on men alone, the rate of transition to regular employment in Japan is at a level close to the rate in Southern European countries, whereas the rate of transition among women is only one-third or half of the rate among men. In particular, there is an obvious gender gap with respect to the transition on the internal labor market, and the gap between men and women is large irrespective of age or employment status.

Moreover, firms may not be aware of the issue of the gender gap in terms of the transition probability, because female workers account for a large share of temporary workers, and this makes the gender gap appear to be relatively small in terms of the number of temporary workers who became regular workers.

As mentioned in Section I, a desirable form of legislation may be to regulate hiring of temporary workers such as fixed-term contract workers and temporary-agency workers. For example, in addition to the existing upper limit to the term of contract, an upper limit can also be set for the period of continuous employment of fixed-term contract workers within the same firm, in order to require firms to hire workers for regular employment if they intend to use them beyond the statutory maximum period. At present, when firms intend to hire temporary-agency workers for a period of three years or longer, they have to re-hire them as regular workers. According to the analysis results, however, it is less likely that temporary-agency workers are hired as regular workers at the firm where they have been working, and they are rather more likely to become non-working. Thus, if the limitation to the period of continuous employment of fixed-term contract workers is introduced alone, those who have been in temporary employment for a longer period would have a higher risk of being dismissed upon the expiration of the term of contract. To overcome this problem, the author proposes introducing the regulation that when dismissing temporary workers upon expiration of the term of contract, firms must first dismiss those who have been in employment for a shorter period, to be exercised together with the limitation to the period of continuous employment of fixed-term contract workers. Through this legislation, more

workers who have been in temporary employment for a certain period will have more chances to find regular jobs. At the same time, by regulating employment according to an objective criterion, i.e. period of continuous employment, it will be possible to eliminate the gender gap in the transition to regular employment.

References

- Aizawa, Naoki, and Atsuhiko Yamada. 2008. Joyo/hijoyo koyokan no ido bunseki: “Shugyo kozo kihon chosa” ni motozuku 5 jitenkan hikaku bunseki [Transition of employment status between regular and temporary work: A flow analysis based on the employment status survey 1982-2002]. *Mita Journal of Economics* 101, no. 2:235–65.
- Booth, Alison L., Marco Francesconi, and Jeff Frank. 2001. Temporary jobs: who gets them, what are they worth, and do they lead anywhere? ISER Working Paper no. 00-13, University of Essex, UK.
- . 2002. Temporary jobs: Stepping-stones or dead ends? *The Economic Journal* 112, no. 480:189–215.
- D’Addio, Anna Christina, and Michael Rosholm. 2005. Exits from temporary jobs in Europe: A competing risks analysis. *Labour Economics* 12, no. 4:449–68.
- Duell, Nicola, David Grubb, Shruti Singh, and Peter Tergeist. 2010. Activation policies in Japan. OECD Social, Employment and Migration Working Papers no. 113, OECD. http://www.oecd-ilibrary.org/social-issues-migration-health/activation-policies-in-japan_5km35m63qqvc-en.
- Esteban-Pretel, Julen, Ryo Nakajima, and Ryuichi Tanaka. 2009. Are contingent jobs dead ends or stepping stones to regular jobs? Evidence from a structural estimation. RIETI Discussion Paper Series 09-E-002, Research Institute of Economy, Trade and Industry, Tokyo.
- Furugori, Tomoko. 1997. *Hiseiki rodo no keizai bunseki* [Economic analysis of non-standard work]. Tokyo: Toyo Keizai Shinposha.
- Gagliarducci, Stefano. 2005. The dynamics of repeated temporary jobs. *Labour Economics* 12, no. 4:429–48.
- Genda, Yuji. 2008. Zenshoku ga hiseishain datta rishokusha no seishain he no iko nit suite [Transition into regular employment among separating non-regular employees]. *The Japanese Journal of Labour Studies* 50, no. 11:61–77.
- . 2009. Seishain ni natta hiseishain: Naibuka to tenshoku no sakini [How could non-regular employees become regular employees?: Transitions through internalization and separation]. *The Japanese Journal of Labour Studies* 51, no. 5:34–48.
- Hoffmann, Edeltraud, and Ulrich Walwei. 2003. Denmaku to doitsu ni okeru shugyo keitai no henka: Tenkeitekina hatarakikata ha donoyoni kawarunoka (The change in work arrangements in Denmark and Germany: Erosion or renaissance of standards?). In *Hatarakikata no mirai: Hitenkei rodo no nichibeio hikaku (Nonstandard work in developed economies)*, ed. Susan N. Houseman and Machiko Osawa, chap. 1, 20–58

- (translated by Haruko Suzuki). Tokyo: The Japan Institute of Labour.
- Hori, Yukie, ed. 2007. *Furita ni tairyu suru wakamonotachi* [Young people who remain in the status of *freters*]. Tokyo: Keiso Shobo.
- Japan Institute for Labour Policy and Training (JILPT). 2010. *Hiseiki shain no kyaria keisei: Noryoku kaihatsu to seishain tenkan no jittai* [Career development of contingent workers: The current status of ability development and the transition to regular employees]. JILPT Research Report no. 117. Tokyo: The Japan Institute for Labour Policy and Training.
- Kondo, Ayako. 2007. Does the first job really matter? State dependency in employment status in Japan. *Journal of the Japanese and International Economies* 21, no. 3:379–402.
- Ministry of Health, Labour and Welfare (MHLW). 2011. Heisei 23 nenban rodo keizai no bunseki [White paper on the labour economy 2011]. <http://www.mhlw.go.jp/wp/hakusyo/roudou/11/>.
- Organisation for Economic Co-operation and Development (OECD). 2004. *OECD Employment outlook 2004*. http://www.oecd.org/document/62/0,3746,en_2649_33927_31935102_1_1_1_1,00.html.
- . 2006. *OECD Employment Outlook 2006: Boosting Jobs and Incomes* http://www.oecd.org/document/38/0,3746,en_2649_33927_36261286_1_1_1_1,00.html.
- . 2008. *OECD Employment Outlook 2008*. http://www.oecd.org/document/38/0,3746,en_2649_33927_36261286_1_1_1_1,00.html.
- Sakai, Tadasi, and Yoshio Higuchi. 2005. Furita no sonogo: Shugyo, shotoku, kekkon, shussan [The long-term effect of the past unstable employment status]. *The Japanese Journal of Labour Studies* 47, no. 1:29–41.
- Shikata, Masato. 2010. Hiseiki koyo ha “ikidomari” ka?: Rodo shijo no kisei to seiki koyo he no iko [Is non-standard employment a “dead end”?: Labor market regulation and transition to standard employment]. *The Japanese Journal of Labour Studies* 53, no. 2-3:88–102.
- Yanagida, Seiji, and Koyo Miyoshi. 2006. Nippon ni okeru chingin ha hontoni kinzoku nensu to tomoni agarunoka [Does wage really rise in Japan along with the increase in the length of service?]. In *Nippon no kakei kodo no dainamizumu (II)* [Dynamism in household behavior in Japan (II)], ed. Yoshio Higuchi and The 21st Century COE Program at KEIO University, chap. 6, 181–97. Tokyo: Keio University Press.

Career Development Process, Starting with Non-Regular Workers: Based on an Analysis of Factors Determining the Transition from Non-Regular to Regular Employment, Including Promotion to Regular Employment within the Same Firm

Reiko Kosugi

The Japan Institute for Labour Policy and Training

In Japan, the transition from school to work has become more uncertain in recent years, and along with this, more young people have become non-regular workers inferior in status to regular employees in terms of working conditions and access to capacity building opportunities. Promoting the transition of non-regular workers to regular employment is a pressing issue. Based on the results of the survey of the personal data of young people between the ages of 25 and 44, this paper explores the factors that divide workers' career courses into two types: transitions from non-regular to regular employment and from one non-regular position to another. It attempts to engage in a quantitative analysis and review of the qualities firms emphasize when recruiting workers, by applying control variables relating to workers' personal attributes and views and those relating to firms' manpower demands. As a result, it was confirmed that the transition from non-regular to regular employment through movement between firms takes place less frequently for workers in their late 20s or older, whereas age does not act as a great hindrance to promotion to regular employment within the same firm. It was also observed that off-the-job training experience while engaged in non-regular work and engagement in self education have great effects on the transition to regular employment. From these findings, the author of this paper proposes strengthening measures to broaden and increase the number of cases of promotion to regular employment within firms, and enhancing consultation services for young people.

I. Introduction

In the early 1990s, people in Japan took it for granted that the transition from school to work would go smoothly and without any particular obstacle. Most students in secondary or higher education who wished to work after graduation were able to find jobs as regular employees; that is, full-time and permanent employees, before they graduated from school. When labor demand increased rapidly after the end of the Second World War, Japanese firms adopted an approach of recruiting new graduates who lacked skills but were very adaptable, and training them in-house. This personnel recruitment and development approach became one of the key elements of the Japanese employment system and was generally accepted in society.

After the Japanese economy entered recession in the 1990s, however, more students faced difficulty in finding regular employment upon graduation. Those who were born

around 1980 were most affected by the recession; about 40% were not recruited upon graduation.¹ On the other hand, unmarried young men and women came to occupy a larger share of the non-regular employment sector,² which had previously been dominated by married women, and a new term, *freeters*, was invented to represent this new group of non-regular workers. The number of *freeters*,³ which started to appear in the government's annual white papers on labor, hit a record of 2.18 million in 2003. In the subsequent economic recovery phase, the total number of *freeters* declined, but the rate of decline among older *freeters* (between the ages of 25 and 34) was small.

It has already been frequently pointed out that *freeters* have unstable employment and receive lower wages than young regular employees of the same age.⁴ It has also been found that the percentage of *freeters* who received education and training from firms where they work is only one-third of the percentage of regular employees who engaged in such activities (Kosugi 2009a). The increase in the number of older *freeters* suggests that those who started to work as *freeters* have remained in non-regular employment under unfavorable conditions. The fact that Japanese firms maintained their conventional pattern of recruiting and training new graduates may be behind this, meaning that young people just out of school were the primary beneficiaries of the economic recovery, whereas those who had entered the labor market earlier but had no experience as regular employees were unable to attract attention as candidates for new recruitment.⁵

¹ Estimated by the author based on the Basic School Survey (Ministry of Education, Culture, Sports, Science and Technology).

² In this paper, full-time and permanent employment (regular employment) is referred to as regular employment, and other types of employment are categorized and collectively referred to as non-regular employment. The latter category includes part-time employment, temporary employment, and indirect employment. About half of non-regular workers are part-time employees. Workers referred to by the term "*pato* (part-time)" in the workplace are categorized as part-time employees, regardless of the length of their working hours. "Part-time employees" are more susceptible to labor adjustment than regular, full-time employees, and their duties and pay are limited by comparison. They usually work fewer hours, but some work for hours as long as those of full-time employees. The concept of gender-based role sharing is behind part-time employee status. Most are married women who are mainly responsible for housekeeping and child rearing.

³ In the statistics, *freeters* are defined as persons between the ages of 15 and 34 who have graduated from school (in the case of females, limited to those who are unmarried), and who (i) currently work part-time (referred to as *pato* or *arubaito*), (ii) are currently unemployed and seeking part-time work, or (iii) are not in the labor force, but wish to work part-time, and are engaged neither in housework nor education. "*Arubaito* (from the German *Arbeit*)" is another term used for part-time workers in the workplace, mainly younger temporary workers.

⁴ Based on data specially compiled from the Employment Status Survey by gender, age, and academic background, JILPT (2009) pointed out that there is a large pay gap between non-regular and regular employees both on an annual and hourly basis.

⁵ Due to the reduction of opportunities for vocational education over time (e.g. the number of vocational high schools has decreased, while universities have expanded but have little interest in providing vocational education), many students leave schools and universities without any practical vocational skills. This feature of education was created along with the development of the Japanese employment system.

In the face of this situation, it is important to take measures to improve the conditions of non-regular employment,⁶ and it is also necessary to promote workers' transitions from non-regular to regular employment. From this viewpoint, this paper aims to ascertain the reality of the situation with regard to the transition from non-regular to regular employment for young people and to analyze factors that affect this transition, so as to elaborate effective measures to support this transition.

II. Review of Preceding Studies and Establishment of Analytical Goals

What is the percentage of young people who have successfully shifted from non-regular to regular employment? The Ministry of Health, Labour and Welfare (MHLW) (2006) used data obtained via the Labour Force Survey (Statistics Bureau, Ministry of Internal Affairs and Communications [MIC]) to calculate the ratio of young people between the ages of 15 and 34 (excluding those enrolled in school) who left their jobs as non-regular workers over the course of the previous year to become regular employees. According to MHLW's calculation, this ratio peaked at 27.0% in 1992, dropped to 16.7% in 2003, and then recovered to 19.0% in 2005. Kosugi (2009b) used another data set specially compiled from the Employment Status Survey (Statistics Bureau, MIC) to calculate the ratio of young people between the ages of 15 and 44 (excluding those enrolled in school) who left their jobs as non-regular workers over the previous year to become regular employees at the time of the survey. Kosugi indicated that this ratio rose from 14.2% in 2002 to 16.1% in 2007. From these findings, it is obvious that the rate of transition from non-regular to regular employment had been declining until around 2003, when it began to improve during the subsequent period of economic expansion. It is further presumed that the rate declined again after the collapse of Lehman Brothers.

These statistical surveys reflect the transition from non-regular to regular employment though movement between firms, but do not cover promotion from non-regular to regular employment within the same firm. Some surveys focused on individual career development captured the facts related to such promotions. For example, a survey conducted by the Japan Institute for Labour Policy and Training (JILPT) (2006) to investigate the career development attitudes of young people living in Tokyo (between the ages of 18 and 29) showed that *freeters* who later became regular employees accounted for 29.7% of men and 19.4% of women,⁷ and that about 20% of this transition from non-regular to regular employment

⁶ Improvement measures that have been taken thus far include: revision of the Part-Time Workers Act (Act on Improvement, etc. of Employment Management for Part-Time Workers) which prohibits discriminatory treatment of part-time workers who should be regarded as equal to full-time employees in terms of wages, etc.; expansion of the coverage of employees' insurance; and raising the minimum wage.

⁷ The transition to regular employment discussed here means a transition that has taken place at some point during the entire career of each respondent, not during a specific period. Therefore, the transition rate may be higher than it would be if the target period were limited to one year.

took place in the form of promotion to regular employment within the same firm.

What, then, accounts for the difference between non-regular workers who were able to shift to regular employment and those who have remained in non-regular employment? Various factors have been cited as determinants of a worker's transition from non-regular to regular employment. Uenishi (2002), based on the 2001 version of the abovementioned survey of young people living in Tokyo, noted that many *freeters* who later became regular employees had been *freeters* for shorter periods of approximately one year or less, whereas many of those who remained *freeters* had worked as *freeters* for periods in excess of two years. Uenishi stressed the strong age preference of firms seeking workers, meaning that younger people who have worked as *freeters* for only a short period of time are on a similar footing to new graduates, whose training potential is appreciated. This finding—that a worker's success or failure in shifting to regular employment depends on having a shorter period, of approximately less than one year, of work experience as a *freeter*—has also been indicated by Hori (2009), who researched the actual state of the transition from non-regular to regular employment among young people in provincial areas.

On the other hand, using the Employment Status Survey conducted in 2002, Genda (2008) analyzed various factors to determine whether workers previously engaged in non-regular work were able to find jobs as regular employees within the previous year, and demonstrated that about two to five years of continued engagement in non-regular work for the same firm could have a positive effect on a worker's transition to regular employment. In his study, Genda argues that the experience of continued engagement in work for a certain period of time shows workers' potential and propensity to settle in one place, which is required of regular employees.

What factor do firms place greater emphasis on when recruiting non-regular workers as regular employees: the training potential that can be expected from youth, or a demonstrated propensity to settle that can be inferred from the length of an employee's service to his/her previous employer?

According to a firm survey conducted by the Ministry of Health, Labour and Welfare, Statistics and Information Department, Minister's Secretariat (2004), among firms which answered that they view work experience as a *freeter* negatively in the process of recruiting regular employees, 70% expressed concern about *freeters*' lack of patience and likelihood to quit their jobs at any time as the reason for their negative views. On the other hand, half of the firms which hired *freeters* as regular employees answered that they expected *freeters* to be ready to become part of an effective workforce. These results suggest that the length of a *freeter's* engagement in his/her previous job, which indicates his/her tendency to settle, could be more key to his/her recruitment as a regular employee than training potential. At the same time, in view of the fact that more than half of firms establish a maximum age limit for recruitment of 29 years of age, it can be said that youth is also considered to be a recruitment criterion.

Are age and continued engagement in work contradictory criteria? Using data spe-

cially compiled from the Employment Status Survey in 2007, Kosugi (2009b) compared length of service in the previous non-regular job between workers who shifted from non-regular to regular employment and those who shifted from one non-regular job to another according to their employment status at their first job and by age group. Through this comparison, Kosugi demonstrated that among those whose first job was a non-regular job, persons who shifted from non-regular to regular employment had been engaged in the previous job for a longer period on average than persons who shifted from one non-regular job to another if the transition took place when the worker was 24 years of age or younger. There was little difference between the two groups where a worker was between 25 and 29 years of age at the time of the transition, and among employees aged 31 or older, those with shorter average lengths of service at their previous jobs actually had an advantage in transitioning from non-regular to regular employment. Kosugi also showed that the transition most frequently took place when employees were in their 20s. Thus, workers who have worked as *freeters* since immediately after graduation are appreciated for both their training potential and their propensity to settle.

Kosugi (2009b) further demonstrated that workers whose first jobs were as regular employees, even if they later shifted to non-regular employment, can become regular employees again more easily, indicating the possibility that firms take job applicants' overall work experience, rather than only their most recent jobs, into consideration when making recruitment decisions. Kosugi also pointed out that with respect to gender and academic background, the transition to regular employment is more likely for men and the highly-educated, respectively.

What positive attributes do hiring firms expect to learn about workers from their work experiences? One may be character traits, such as patience. The ability to perform specific duties may also be taken into account. It has been shown that persons who shift from non-regular to regular employment are more likely to be recruited for the same type of job as their previous job (Kosugi 2009b). This suggests that firms weigh a job applicant's ability to perform specific duties. In Japan, as labor markets classified by occupation have not yet been developed, it is possible to evaluate an individual's capabilities on the basis of occupational qualifications or official evaluation standards only within certain sectors. Therefore, firms are trying to evaluate individuals' capabilities on the basis of their work experience.

Factors that determine workers' transition from non-regular to regular employment include: (i) those which firms emphasize, as described above (e.g. a worker's age at the time of the transition, his/her length of service in the previous job, the nature of the first job he/she received after graduation, the types of jobs he/she has held, and his/her academic background); (ii) factors relating to workers' personal characteristics (e.g. gender, whether a worker is married or has a child,⁸ his/her work ethic, and age⁹); and (iii) the degree of

⁸ Kosugi (2002), pointed out the possibility that marriage could motivate men engaged in non-regular work to become regular employees.

firms' labor demand. The below analysis attempts to eliminate the effects of the latter two groups of factors to focus on the factors in the first group that are considered to be important by firms when they recruit workers, because some of these factors could be affected by individual behavior or may be susceptible to change as a result of encouragement of firms or development of social infrastructure. For example, it may be possible to help young people receive primary training while engaged in their first jobs or acquire the ability to perform specific duties through engagement in their previous jobs by employing new graduates as trainees or providing job seekers with public vocational training.

In the section below, various conditions which determine workers' transitions from non-regular to regular employment are analyzed through the use of the survey data, focusing on factors related policy-based support as exemplified above.

III. Details of the Data

The data used in the analysis has been extracted from the Survey on Working and Learning conducted by JILPT from October to December 2008. This survey targeted male and female workers between the ages of 25 and 44 (excluding full-time housewives and students) nationwide, categorized by municipality. By applying the area sampling method,¹⁰ which establishes a target number of responses to be collected on the basis of the employment rate by gender and by age, 4,024 valid responses were collected. Work experience, one of the main survey items, was captured on a quarterly basis. This paper aims to analyze the respondents' transitions from non-regular to regular employment, which is reflected in the data on their work experiences.

First, changes in the respondents' employment status are classified according to their current employment status (Table 1).¹¹ 13.9% of respondents who currently work as regular employees have experienced a transition from non-regular employment to regular employment. Of these respondents, 10.7% changed firms, while 3.2% were promoted to regular employment within the same firm. Workers promoted to regular employment within the same firm accounted for 22.9% of all of those who have shifted to regular employment, which is almost equal to the level indicated in prior studies.

By examining the differences between those who have shifted from non-regular to regular employment and who currently work as regular employees, and those who have

⁹ Age is one of the factors that firms take into account upon recruitment, and it is also an important factor for workers themselves as young people are in a career exploration phase.

¹⁰ After setting a target number of responses to be collected and the number of points to be selected by random systematic sampling from the Basic Residential Register that indicates the number of households in each municipal area, researchers visit households located within a certain range from each selected point, request them to respond to the questions and collect their responses. This process is repeated until the number of responses actually collected reaches the target number.

¹¹ Except for the respondents whose work experience cannot be clearly ascertained, the sample size is 4,018.

Table 1. Employment Records of Workers between the Ages of 25 and 44, with a Focus on Employment Status

	Total	Male	Female
Total	4,018	2,356	1,662
Regular employees	58.4	75.0	34.9
Joined and settled in the current workplace after graduation	23.7	30.9	13.5
Have changed jobs as regular employees	11.9	17.7	3.7
Have shifted from non-regular to regular employment (through movement between firms)	10.7	11.5	9.6
Have shifted from non-regular to regular employment (through promotion within the same firm)	3.2	3.6	2.5
Have experienced unemployment, self-employment, or other	9.0	11.3	5.7
Non-regular workers	27.3	8.6	53.8
<i>Have experienced a transition from non-regular to regular employment*</i>	3.8	1.3	7.4
<i>Have previously engaged in non-regular work*</i>	15.2	3.9	31.1
Self-employed workers, corporate officers, workers engaged in family businesses	14.3	16.4	11.4
<i>Have experienced a transition from non-regular to regular employment</i>	1.5	1.7	1.1

Note: * Respondents in these categories partially overlap.

continuously been in non-regular employment, an attempt can be made to ascertain what determined workers' transitions to regular employment. In connection with this, a question arises as to how to define the latter group subject to this comparison; that is, those who have continuously been in non-regular employment. Since the points of analysis include how firms evaluate job seekers' previous engagement in non-regular employment, the analysis looks only at respondents in this group whose previous jobs can be categorized as non-regular employment. In short, the analysis aims to examine the difference between two types of transitions: that from non-regular to regular employment and that from one non-regular job to another. Those who currently engage in non-regular work account for 27.3% of the total, slightly more than half of whom had previously been engaged in non-regular work.

It should be noted that workers who had become regular employees and then returned to non-regular employment are included among those currently engaged in non-regular work, and some self-employed workers and workers engaged in family businesses have also experienced the transition from non-regular to regular employment. According to the survey, 771 respondents—19.2% of the total—have experienced such a transition, but a further 30% of these have since changed their jobs and currently no longer work as regular employees. Thus, not all workers who have found jobs as regular employees settle and stop changing

jobs; in reality, many workers are more apt to float, with the possibility that although they currently work as regular employees, they may become non-regular employees in the future. It is undeniable that an analysis of the differences between workers who shifted to regular employment and those who did not can only infer a certain tendency among workers amid the chaotic nature of actual career development.

The analysis conditions should be narrowed down further. The data used in this analysis captures workers' transitions from non-regular to regular employment on the basis of their employment records. The time at which they shifted to regular employment varies, from the 1980s to 2008, when the survey was conducted. Considering that the objective of this paper is to elaborate measures to promote the transition to regular employment, there is a concern that transitions which took place many years ago might have involved background factors that are no longer relevant. In addition, many of the respondents were still in school during the early part of the above mentioned range. Accordingly, the cases subject to analysis have been limited to transitions from non-regular to regular employment which took place between 2003 and 2008 (when the economy was recovering and more workers could find jobs as regular employees), and transitions from one non-regular position to another which took place within the same time frame. In addition, the variable used as an indicator of firms' labor demand, which is discussed later, has been surveyed only with regard to the respondents' current workplaces, further limiting the subjects of the analysis to persons who shifted from non-regular to regular employment who remained in the workplace where they became regular employees at the time of the survey. Through these limitations, the total number of cases subject to analysis was reduced to 779.

Explanatory variables have been used to analyze the factors that determine the transition, which may include those mentioned in the previous section: (i) various conditions which firms may emphasize when they recruit workers; (ii) workers' personal attributes and views which could affect their behavior; and (iii) workplace conditions which could affect firms' labor demand. The following variables have been adopted for each of these categories. The basic statistics for each variable are indicated in Table 2.

1. Conditions Which Firms May Emphasize When They Recruit Workers

- i. Variables in relation to non-regular employment immediately before the transition
 - a: Length of service in the non-regular job immediately preceding the transition
 - b: Similarity of the non-regular job immediately preceding the transition to the job held after the transition (by occupational classification)
 - c: Off-the-job training experience while engaged in the non-regular job immediately preceding the transition (in units of one year)
 - d: Employment status while engaged in the non-regular job immediately preceding the transition (non-regular and full-time, engaged in work for the same hours as regular employees; non-regular and part-time, engaged in work for fewer hours than regular employees; and temporary employment/others)

Table 2. Outline of Explanatory Variables

	Total		Rate of transition from non-regular to regular employment			Mean value	
	No. of subjects	Ratio (%)	Total (%)	<i>Between different firms</i>	<i>Within the same firm</i>	From one non-regular job to another	From non-regular to regular employment
Total	779	100.0	32.9	24.8	8.1		
Gender D							
Male	221	28.4	62.4	44.8	17.6		
Female	558	71.6	21.1	16.8	4.3		
Current age							
29 or younger	244	31.3	47.5	34.0	13.5		
30-34	219	28.1	34.2	25.1	9.1		
35-39	171	22.0	22.2	19.9	2.3		
40 or older	145	18.6	18.6	14.5	4.1		
Marriage within one year before or after the transition D							
No	727	93.3	29.6	23.0	6.6		
Yes	52	6.7	78.8	50.0	28.8		
Family life or social activities prioritized/desire to quit working D							
No	512	65.7	39.1	29.3	9.8		
Yes	267	34.3	21.0	16.1	4.9		
Constant labor shortage D							
No	561	72.0	30.1	23.5	6.6		
Yes	218	28.0	39.9	28.0	11.9		
Many workers leaving D							
No	591	75.9	29.6	21.3	8.3		
Yes	188	24.1	43.1	35.6	7.4		
Type of current work D							
Construction/manufacturing	136	17.5	36.8	26.5	10.3		
Finance/public utility/information	112	14.4	42.0	37.5	4.5		
Wholesale/retail	128	16.4	21.9	16.4	5.5		
Food/life service	135	17.3	17.0	13.3	3.7		
Medical/welfare/education	151	19.4	44.4	29.8	14.6		
Other services	117	15.0	35.0	26.5	8.5		
Size of current workplace D							
29 employees or fewer	291	37.4	32.3	25.8	6.5		
30-299	220	28.2	39.1	27.7	11.4		
300 employees or more/public service	166	21.3	40.4	30.1	10.2		
Not sure/no answer	102	13.1	8.8	6.9	2.0		
Age at the time of transition D							
15-24	117	15.0	53.8	41.9	12.0		
25-29	236	30.3	43.6	30.5	13.1		
30-34	187	24.0	25.7	20.3	5.3		
35-44	239	30.7	17.6	14.2	3.3		
Similarity between the types of jobs before and after the transition D							
Different	397	51.0	27.5	25.7	1.8		
Same	382	49.0	38.5	23.8	14.7		

Table 2 (Continued)

	Total		Rate of transition from non-regular to regular employment			Mean value	
	No. of subjects	Ratio (%)	Total (%)	<i>Between different firms</i>	<i>Within the same firm</i>	From one non-regular job to another	From non-regular to regular employment
Length of service in previous job D							
1 year or shorter	209	26.8	33.5	22.5	11.0		
1-2 years	205	26.3	35.6	29.8	5.9		
2-3 years	139	17.8	29.5	20.9	8.6		
3-5 years	136	17.5	32.4	25.0	7.4		
5 years or longer	90	11.6	31.1	24.4	6.7		
Status of previous employment D							
Part-time, non-regular	394	50.6	23.1	18.3	4.8		
Full-time, non-regular	261	33.5	45.2	29.5	15.7		
Temporary/other	124	15.9	37.9	35.5	2.4		
Off-the-job training experience at previous job D							
No	731	93.8	31.5	23.9	7.5		
One year	39	5.0	53.8	35.9	17.9		
Two or more years	9	1.2	55.6	44.4	11.1		
Length of service in regular employment before transition (year/mean)						3.49	3.16
Employment after graduation D							
	359	46.1	36.5	27.6	8.9		
	420	53.9	29.8	22.4	7.4		
Engagement in self-education before transition D							
No	627	80.5	32.5	24.7	7.8		
One year	80	10.3	33.8	26.3	7.5		
Two or more years	72	9.2	34.7	23.6	11.1		
Academic background D							
Junior high school	79	10.1	32.9	26.6	6.3		
High school	299	38.4	26.8	23.1	3.7		
Technical college/junior college	268	34.4	28.7	19.4	9.3		
University/graduate school	133	17.1	54.9	38.3	16.5		
Relevance between the major subject of study in school and the type of job held after transition D							
Different	607	77.9	30.0	23.4	6.6		
Same	172	22.1	43.0	29.7	13.4		

Note: D denotes dummy variables.

In the case of promotion from non-regular to regular employment within the same firm, the period of engagement in the non-regular job preceding promotion and work experience during this period have been used instead of the above.

- ii. Variables in relation to the possible effect of a worker's career before the transition
 - a: Length of service in regular employment
 - b: Whether the worker was recruited as a regular employee upon graduation
 - c: Academic background
 - d: Relevance of a worker's major subject of study in school to the type of job held after the transition
 - iii. Age at the time of the transition
2. Personal Attributes and Work Ethic
- i. Basic attributes (gender, age)
 - ii. Whether the worker married within one year before or after the transition
 - iii. Views on work (whether a worker responded to the question, "In what way do you want to work in the future?" by saying, "I want to work while prioritizing my family life or social activities," or "I want to quit working.")
3. Degree of Firms' Labor Demand
- i. Labor shortage at the respondent's workplace
 - ii. Whether other workers were leaving their jobs at the respondent's workplace
 - iii. Attributes of the respondent's workplace (industry, size)

IV. Analysis Results

Logistic regression models were used for the analysis, with the transition from non-regular to regular employment being 1. All of the subject cases were analyzed, and also separately analyzed to examine the transition through movement between different firms, promotion within the same firm, and the gender gap.

The results obtained by inputting only workers' personal factors and factors relating to the degree of firms' labor demand into the models are indicated in Table 3. Model (1) shows that workers' personal circumstances and views affect the transition to regular employment, including the fact that marriage has a positive effect, whereas prioritizing one's family life or social activities over work has a negative effect. It also clarifies the fact that the degree of firms' labor demand affects the transition, exemplified by the positive effect observed in industries with strong demand, such as medical, welfare, and education or in individual workplaces with labor shortages. The effects of these two types of factors are also confirmed in Models (2) to (5).

Table 3. Logistic Regression Models (1) to (5) for the Analysis of Determinants of the Transition from Non-Regular to Regular Employment (Transition to Regular Employment = 1)

	Model (1)		Model (2)		Model (3)		Model (4)		Model (5)	
	B	Exp (B)	Movement between firms		Promotion within the same firm		Male		Female	
	B	Exp (B)	B	Exp (B)	B	Exp (B)	B	Exp (B)	B	Exp (B)
Gender D	1.460	4.308 ***	1.377	3.963 ***	1.630	5.104 ***				
Age	-0.057	0.945 **	-0.051	0.951 **	-0.067	0.935 *	-0.013	0.987	-0.071	0.931 **
Marriage within one year before or after the transition D	1.564	4.776 ***	1.281	3.601 **	2.191	8.941 ***	1.443	4.234 **	1.769	5.864 **
Family life or social activities prioritized/desire to quit working D	-0.602	0.548 **	-0.617	0.540 **	-0.394	0.674	0.025	1.025	-0.910	0.403 ***
Labor shortage at current workplace D	0.131	1.140	0.054	1.055	0.658	1.930 +	0.673	1.960 +	-0.271	0.763
Other workers leaving at current workplace D	0.354	1.425 +	0.524	1.689 *	-0.476	0.621	-0.119	0.888	0.723	2.061 *
Type of current work D										
<Construction/manufacturing>										
Finance/public utility/information	0.954	2.596 **	1.102	3.009 **	-0.212	0.809	0.221	1.248	1.145	3.143 **
Wholesale/retail	-0.091	0.913	-0.066	0.936	-0.133	0.876	0.619	1.857	-0.859	0.423
Food/life service	-0.558	0.573	-0.434	0.648	-0.733	0.480	-0.107	0.898	-1.283	0.277 *
Medical/welfare/education	1.172	3.228 ***	1.088	2.970 **	1.324	3.760 **	0.729	2.074	1.224	3.400 **
Other services	0.490	1.633	0.439	1.552	0.285	1.329	0.032	1.033	0.781	2.183 +
Size of current workplace D < - 29>										
30-299	-0.097	0.908	-0.201	0.818	0.213	1.237	0.223	1.250	-0.327	0.721
300 employees or more/public service	-0.036	0.964	-0.125	0.883	0.023	1.023	-0.384	0.681	0.088	1.092
Not sure/no answer	-1.621	0.198 ***	-1.667	0.189 ***	-1.442	0.237 +	-1.187	0.305 +	-1.836	0.159 **
Constant	0.397	1.487	0.016	1.016	-0.921	0.398	0.422	1.524	1.070	2.916
Nagelkerke R2		0.359		0.317		0.379		0.160		0.306
N		779		716		586		221		558

Note: D denotes dummy variables; the groups in brackets < > are reference groups.

Table 4. Logistic Regression Models (6) to (10) for the Analysis of
(Including Factors Weighed upon Recruitment; Transition

	Model (6)	
	B	Exp (B)
Gender D		
Age		
Marriage within one year before or after the transition D		Significant
Family life or social activities prioritized/desire to quit working D		
Labor shortage at current workplace D		
Other workers leaving at current workplace D		Significant
Type of current work D		
Size of current workplace D		
Age at the time of transition D <15-24>		
25-29	-0.502	0.605
30-34	-1.688	0.185 **
35-44	-2.364	0.094 **
Previous job		
Same job D	0.501	1.650 *
Length of service in previous job D <1 year or shorter>		
1-2 years	0.275	1.316
2-3 years	0.005	1.005
3-5 years	0.050	1.051
5 years or longer	0.165	1.179
Status of previous employment D <Part-time, non-regular>		
Full-time, non-regular	0.449	1.567 *
Temporary/other	0.039	1.040
Off-the-job training experience at previous job D <No>		
One year	0.946	2.575 *
Two or more years	0.998	2.712
Length of service in regular employment before transition (year)	0.092	1.096 *
Employment after graduation D	0.022	1.022
Engagement in self-education before transition D <No>		
One year	0.358	1.430
Two or more years	0.190	1.209
Academic background D <Junior high school>		
High school	0.223	1.249
Technical college/junior college	-0.001	0.999
University/graduate school	0.938	2.555 *
Relevance between the major subject of study in school and the type of job held after transition D	0.269	1.309
Constant	-2.914	0.054 *
Nagelkerke R2		0.430
N		779

Note: D denotes dummy variables; the groups in brackets < > are reference groups.

Determinants of the Transition from Non-Regular to Regular Employment
to Regular Employment = 1)

Model (7) Movement between firms		Model (8) Promotion within the same firm		Model (9) Male		Model (10) Female	
B	Exp (B)	B	Exp (B)	B	Exp (B)	B	Exp (B)
Significant		Significant		Significant		Significant	
Significant		Significant		Significant		Significant	
-0.612	0.542 ⁺	-0.335	0.715	-0.883	0.414 ⁺	-0.436	0.646
-1.678	0.187 ^{**}	-2.147	0.117 ⁺	-1.217	0.296	-2.210	0.110 ^{**}
-2.381	0.092 ^{**}	-3.432	0.032 ⁺	-3.011	0.049 [*]	-2.505	0.082 [*]
0.160	1.174	2.983	19.750 ^{***}	0.735	2.086 [*]	0.320	1.377
0.466	1.594	-0.395	0.674	0.112	1.118	0.418	1.519
0.141	1.151	0.071	1.074	0.100	1.105	0.148	1.159
0.195	1.216	-0.429	0.651	0.361	1.434	0.012	1.012
0.348	1.416	-0.602	0.548	-0.278	0.757	0.652	1.919
0.249	1.282	0.767	2.153 ⁺	-0.281	0.755	0.732	2.079 [*]
0.279	1.322	-3.287	0.037 ^{**}	-0.796	0.451	0.482	1.619
0.707	2.028	1.632	5.114 [*]	1.267	3.549 ⁺	0.726	2.067
1.084	2.958	1.818	6.157 ^{**}			0.952	2.590
0.067	1.070 ⁺	0.357	1.430 ^{***}	0.043	1.044	0.102	1.108 [*]
0.011	1.011	-0.053	0.948	0.436	1.546	0.080	1.083
0.383	1.466	0.756	2.129	0.538	1.712	0.214	1.239
0.088	1.092	1.150	3.158 ⁺	0.908	2.481	0.110	1.116
0.216	1.241	-0.338	0.713 ⁺	0.104	1.109	-0.171	0.843
-0.169	0.844	0.813	2.256	0.169	1.185	-0.550	0.577
0.687	1.988 ⁺	2.122	8.349 [*]	0.757	2.132	0.731	2.077
0.293	1.340	-0.283	0.754	-0.004	0.996	0.394	1.482
-3.135	0.044 [*]	-5.185	0.006 ⁺	-3.000	0.050	-2.644	0.071
	0.369		0.631		0.283		0.406
	716		586		221		558

Table 4 shows the results obtained by treating these factors as control variables and inputting into the models a group of factors which firms may emphasize when they recruit workers. Each model in this table shows a considerably high coefficient of determination, suggesting that the explanatory variables added here are effective in determining the success or failure of transitions to regular employment.

In Model (6), contrary to the situation for workers in the 20 to 24 year old age group, the transition to regular employment does not occur for those between the ages of 30 and 44. In relation to workers' previous jobs, factors such as holding the same type of job after the transition as before it, engagement in the previous job for hours nearly equal to those of regular employees, and off-the-job training experience while engaged in the previous job have a significantly positive influence on the transition to regular employment. With regard to a worker's prior experience, engagement in work as a regular employee for a long period and completion of higher education are significantly positive.

By comparing transitions through movement between different firms and transitions through promotion within the same firm (Models [7] and [8]), both types of transition are more likely to take place at younger ages. However, in the case of promotion within the same firm, workers in their early 20s and those in their late 20s seem to be treated almost equally, and the significant difference for those aged 30 or over was small. This means that age does not act as a great hindrance to transition through promotion within the same firm as compared to transition through movement between different firms. Variables relating to the similarity of the jobs held before and after the transition, working hours, off-the-job training experience, and self-education experience are significant only with regard to promotion within the same firm. Also, with regard to promotion, a longer period of engagement in the previous non-regular job is not significant, but is negative. This result is consistent with the notion that firms tend to decide whether to promote non-regular employees to regular employment at a relatively early stage (Research Institute for Promotion of Living Standards 2004).

The coefficient of determination indicates that the addition of new explanatory variables contributes to rendering models more applicable in the case of promotion within the same firm. This can be interpreted as demonstrating that non-regular workers' job performance in their workplaces and their positive attitude and commitment to capacity building provide the basis for firms to decide whether to promote them to regular employment.

On the other hand, in the case of transitions through movement between different firms, apart from age, only variables relating to the experience of working as regular employees and academic background are significant, and the coefficient of determination shows only a slight increase. This means that engagement in the previous non-regular work is not much appreciated.

The transitions take place at younger ages regardless of gender. Variables which have a significantly positive effect are those relating to similarity of the jobs before and after the transition and off-the-job training experience while engaged in the previous job for male

workers, and those relating to having working hours nearly equal to those of regular employees and previous work experience as a regular employee for female workers. The length of service in the previous job is not significant for either gender, but it can be observed that the variable relating to engagement in the previous job for five years or more is negative for male workers, which is consistent with prior studies that pointed to the negative effect of engagement in the previous job for from two to five years.

V. Conclusion

This paper analyzed factors that determine the transition from non-regular to regular employment for young people, based on data on their work experiences obtained from the Survey on Working and Learning. The analysis clarified the following points.

Among workers between the ages of 25 and 44 who were subject to the survey, 13.9% have experienced a transition from non-regular to regular employment and currently work as regular employees, and about 20% became regular employees through promotion within the same firm. At the same time, more workers have experienced such transitions—19.2% of the total—and 30% of these became regular employees and subsequently returned to non-regular work or shifted to work for family businesses. Not all workers who become regular employees settle and stop changing jobs.

Further analysis was conducted with regard to factors that distinguish between workers who shifted from non-regular to regular employment and currently work as regular employees, and those whose previous jobs were non-regular and who currently engage in non-regular work. These factors were divided into three groups: (i) conditions which firms emphasize when they recruit workers; (ii) workers' personal attributes and views; and (iii) conditions which could affect the degree of firms' labor demand. Based on the idea that the factors in Group (i) are important in the context of elaborating measures to support the transition to regular employment, quantitative analysis and review were conducted mainly using the factors in this group, while using the factors in Groups (ii) and (iii) as control variables. As a result, the following facts were confirmed: (i) the transition to regular employment is likely to take place in a worker's early 20s, but in the case of transitions through promotion within the same firm, there is no difference between workers in their early 20s and their late 20s; (ii) in the case of promotion, factors such as off-the-job training experience while engaged in non-regular work and self-education have positive effects; and (iii) non-regular workers who worked hours nearly equal to those of regular employees are more likely to be promoted to regular employment. On the other hand, in the case of the transition through movement between firms, it was observed that factors such as age, academic background, and working experience as regular employees have positive effects, whereas the length of service in the previous non-regular job did not show any clear effect.

What do these analysis results suggest in relation to means of supporting the transi-

tion to regular employment?

The first challenge before us is to enhance promotion from non-regular to regular employment within the same firm. The finding that the job performance of non-regular workers and whether they have a positive attitude toward committing to capacity building are appreciated indicates that the period during which a worker is engaged in non-regular work may provide the firm where he/she works with a good opportunity to assess a worker's capacity level. It is probably because of this that age does not act as a great hindrance to transitions through promotion within the same firm as compared to transitions through movement between firms. Promotion within the same firm will be effective in lowering the hurdle for older *freters* to become regular employees. Another survey has suggested that firms appoint in-house non-regular workers as regular employees out of the necessity to secure highly skilled employees or to evaluate employees' skills appropriately so as to maintain morale at the workplace (Kosugi 2008). Thus, promotion within the same firm may be reasonable from the firms' standpoint as well. Furthermore, in view of the finding that off-the-job training experience while engaged in non-regular work showed a positive effect, one can assume that it would be effective to implement capacity building programs for non-regular workers in a systematic manner. Specifically, the combination of the systematic vocational training and practical training at the workplace, as has been implemented under the Job Card System,¹² will be an effective approach. As this system has not yet become popular, continuous efforts will be required to broaden and firmly establish its use within the social infrastructure.

The second challenge is to improve the measures used to help young people in their 20s with the career exploration process, thereby facilitating their transition to regular employment, taking into account the current situation in which age acts as a hindrance to this transition. As expected, the analysis discussed in this paper showed that the transition to regular employment takes place mainly when workers are in their 20s. This is consistent with the findings of prior studies. The analysis also demonstrated that not all workers who have become regular employees settle and stop changing jobs, and that in fact many of them return to non-regular employment. Another insight provided by the early *fretter* studies is that *fretters* in their late 20s living in urban areas have become more interested in exploring their careers. With these changes in mind, people in their 20s should be recognized as being in a career exploration phase, and measures should be taken to support these young people in such ways as establishing a framework to provide them with long-term consultation and support and connecting these support services to programs for vocational skill development.

¹² Under the Job Card System, launched in 2008, people who have had few opportunities to develop their vocational skills, including young people working as non-regular employees, receive practical vocational education and obtain job cards, which provide an assessment of their abilities and can be submitted as their resume to firms. The use of job cards helps such people in job seeking and career development. In the training programs implemented under this system, private firms hire trainees for a fixed term to provide them with job experience.

The major point of difference between the analysis results discussed in this paper and those of prior studies is that the length of service in the previous non-regular job and having been recruited as a regular employee upon graduation, which have been considered important factors in determining the transition to regular employment, were not found to be as effective in this paper as in prior studies. This may be because of differences in the reference groups. While prior studies targeted people who left their non-regular jobs during a specific period and compared those who became regular employees to those who did not, this paper compares the two types of transitions; those from non-regular to regular employment, and from one non-regular job to another. In other words, the reference groups used in the preceding studies contained many people who left their jobs and became unemployed (nearly half of the members of the group), whereas people who became unemployed for a long period of time were excluded from the analysis in this paper. This exclusion was unavoidable because the data used in this analysis was collected from a survey of the currently employed. Nevertheless, with a view to finding out what stands in the way of the appointment of non-regular workers as regular employees by firms, the comparison made in this paper may be more successful in clarifying the problems.

References

- Genda, Yuji. 2008. Zenshoku ga hiseishain datta rishokusha no seishain he no iko ni t suite [Transition into regular employment among separating non-regular employees]. *The Japanese Journal of Labour Studies* 50, no. 11:61–77.
- Hori, Yukie. 2009. Sapporo, Kushiro chiiki ni okeru furita he no keiro to ridatsu [Young people becoming and ceasing to be *freeters* in Sapporo and Kushiro]. In *Chiho no wakamono no shugyo kodo to iko katei* [Employment behavior and school-to-work transition of provincial youth]. The Japan Institute for Labour Policy and Training, chap. 3, 88–102. Tokyo: The Japan Institute for Labour Policy and Training.
- Japan Institute for Labour Policy and Training (JILPT). 2006. *Daitoshi no wakamono no shugyo kodo to iko katei: Hokatsutekina iko shien ni mukete* [School-to-work transition and employment of youth in Tokyo: For the purpose of comprehensive transition support]. Tokyo: The Japan Institute for Labour Policy and Training.
- . 2009. *Jakunensha no shugyo jokyo, kyaria, shokugyo noryoku kaiyatsu no genjo: Heisei 19 nenban shugyo kozo kihon chosha tokubetsu shukei yori* [Current status of employment, career building, and vocational skill development of young people: Based on data specially compiled from the Employment Status Survey 2007]. Tokyo: The Japan Institute for Labour Policy and Training.
- Kosugi, Reiko. 2008. Hiseishain no noryoku kaihatsu to seishain he no toyo [Capacity building for non-regular employees and their promotion to regular employment]. In *Hiseishain no koyo kanri to jinzai ikusei ni kansuru yobiteki kenkyu* [Preliminary study on employment management and personnel training for non-regular employees].

- Research Material Series no. 36, 91–119, chap. 2. The Japan Institute for Labour Policy and Training, Tokyo.
- . 2009a. *Jakunensha no kako ichinenkan no shokugyo noryoku kaihatsu keiken* [Young people's experience in vocational skill development over the past year]. In *Jakunensha no shugyo jokyo, kyaria, shokugyo noryoku kaihatsu no genjo: Heisei 19 nenban shugyo kozo kihon chosha tokubetsu shukei yori* [Current status of employment, career building, and vocational skill development of young people: Based on data specially compiled from the Employment Status Survey 2007]. The Japan Institute for Labour Policy and Training.
- . 2009b. *Shokugyo kyaria no tenkai to rodo joken no tokucho* [Career development and characteristics of working conditions]. In *Jakunensha no shugyo jokyo, kyaria, shokugyo noryoku kaihatsu no genjo: Heisei 19 nenban shugyo kozo kihon chosha tokubetsu shukei yori* [Current status of employment, career building, and vocational skill development of young people: Based on data specially compiled from the Employment Status Survey 2007]. Tokyo: The Japan Institute for Labour Policy and Training.
- . 2010. *Hiseiki koyo kara seishain he no iko no kitei yoin no kento* [Analysis of factors determining the transition from non-regular to regular employment]. In *Hiseiki shain no kyaria keisei: Noryoku kaihatsu to seishain tenkan no jittai* [Career development of contingent workers: The current status of skill development and the transition to regular employment]. The Japan Institute for Labour Policy and Training, chap. 2, 40–82. Tokyo: The Japan Institute for Labour Policy and Training.
- , ed. 2002. *Jiyu no daisho—furita: Gendai wakamono no shugyo ishiki to kodo*. [The price of freedom—freeters: The attitudes to work and behavior of modern youth]. Tokyo: The Japan Institute of Labour.
- Ministry of Health, Labour and Welfare (MHLW). 2006. *Heisei 18 nenban rodo keizai hakusho* (White Paper on the Labor Economy 2006). <http://www.mhlw.go.jp/wp/hakusyo/kousei/06/>.
- Research Institute for Promotion of Living Standards. 2004. *Jakunensha no shokugyo sentaku to kyaria keisei ni kansuru chosha kenkyu hokokusho* [Research report on choice of occupation and career development by young people]. Tokyo: Research Institute for Promotion of Living Standards.
- Statistics and Information Department, Minister's Secretariat, Ministry of Health, Labour and Welfare (MHLW). 2004. *Heisei 16 nenban koyo kanri chosa* (Survey on Employment Management). <http://www.mhlw.go.jp/toukei/list/39-16.html>.
- Uenishi, Mitsuko. 2002. *Furita to iu ikikata* [Working as freeters]. In *Jiyu no daisho—furita: Gendai wakamono no shushoku ishiki to kodo* [The price of freedom—freeters: The attitudes to work and behavior of modern youth], ed. Reiko Kosugi, chap. 3. Tokyo: The Japan Institute of Labour.

Conversion of Non-Regular Employees into Regular Employees and Working Experiences and Skills Development of Non-Regular Employees at Japanese Companies*

Yoshihide Sano

Hosei University

In Japan, increasing the opportunity for non-regular employees to develop their skills is recognized as a social challenge. This paper analyzes how the introduction of a system to convert non-regular employees into regular employees affects non-regular employees' skills development based on data collected through a questionnaire survey conducted on individual employees. From the analysis, it can be concluded that if companies employing non-regular employees expand the opportunity for them to become regular employees by introducing such a system, many of the companies can not only (i) increase the opportunity for non-regular employees to develop their career and skills in the long term through the conversion to regular employee status but also (ii) help them develop skills without conversion by gradually assigning them to a progressively wider range of jobs, jobs requiring more advanced skills and jobs with greater responsibility.

I. Introduction

In Japan, social attention is focusing on the differences between the opportunities available for regular employees and non-regular employees to develop skills through training and education, as the proportion of non-regular employees in the overall working population is rising. That is because the rise in the proportion of non-regular employees, for whom skills development opportunity is limited, could impede human resource development by reducing education and training opportunities for the whole society (Arulampalam and Booth 1998; Yasuda 2009).¹ Empirical studies concerning education and training opportunities for non-regular employees in Japan have found that non-regular employees are given less opportunities than regular employees to receive education and training (Hara 2007; Sano 2006, 2007; Kurosawa and Hara 2009).

Presumably, one factor which causes the difference between the skills development

* This paper was written on the basis of Yoshihide Sano, "Firm's Appointment System to Regular Employee from Non-Regular Employee and Job Experience of Non-Regular Employee: What Is Necessary for Skill Formation of Non-Regular Worker?" *The Journal of Social Science* 62, nos. 3 and 4 (2011): 25–55 (Tokyo: University of Tokyo) and revised and translated for foreign readers. For details of the questionnaire survey used in this paper, refer to JILPT Research Report no. 117, *Career Development of Contingent Workers: The Current Status of Ability Development and the Transition to Regular Employees* (Tokyo: The Japan Institute of Labour Policy and Training, 2010).

¹ For example, Yasuda (2008) pointed out, based on the analysis of the results of a questionnaire survey conducted on Japanese companies, that implementation of OJT tends to be hampered at companies which employ non-regular workers as replacements for regular employees.

opportunities for regular and non-regular employees and which is specific to Japan is the presence of Japanese-style personnel management, which seeks to determine the job type and career path for employees on the basis of the employment arrangement. In other words, most Japanese companies provide regular employees with the opportunity to pursue an advance career while assigning non-regular employees to routine jobs (Nikkeiren 1995; Sano 2000, Sato, Sano, and Hara 2003; Sano 2009).²

Between regular and non-regular employees at Japanese companies, there are differences not only with regard to the length of working hours as is the case between full-time and part-time workers or with regard to the employment contract period as is the case between permanent workers and workers with a fixed employment period but also with regard to the in-company career path prepared under the employers' personnel management system. In many cases, only regular employees are subject to a personnel management system that evaluates how much workers' skills have been developed and how advanced their jobs are and rewards them for their performance from a long-term perspective.

Under this Japanese-style personnel management, non-regular employees are given limited opportunity to experience a progressively wider range of jobs, jobs requiring more advanced skills and jobs involving greater responsibility. Presumably for this reason, their skills development opportunity tends to be limited.

All the same, several previous studies concerning the use of non-regular employees as a core workforce have found that the scope of jobs assigned to non-regular employees has been expanding and the level of jobs has been becoming more advanced, in light of cases of chain stores, which employ a large number of part-time workers (Wakisaka 1986; Nakamura 1989; Aoyama 1990; Mitsuyama 1991; Honda 1993). Among recent studies, Takeishi (2002), for example, shed light on the advancement of the level of jobs assigned to part-time, contract and non-regular workers in a broad range of industries. We may presume that an increasing number of companies use non-regular employees for a wide range of jobs, including those requiring advanced skills, as the proportion of non-regular employees is rising.

As shown above, companies willing to use non-regular employees for a wide range of jobs tend to provide them with a career path that involves a broader range of jobs and requires advanced skills if they continue working for a certain period of time (Sano 2009). Also, it may be presumed that non-regular employees at such companies gain increased skills development opportunities by receiving education and training as they go along such a career path.³

As shown above, the career path of non-regular employees varies depending on how

² As to the rationality of companies distinguishing regular and non-regular employees in assigning jobs, refer to Lepak and Snell (1999), Sano (2000), Park and Hirano (2008), etc.

³ Statistics such as Skills Development Basic Research (Ministry of Health, Labour and Welfare) indicate that among non-regular employees, some people receive education and training including OJT and Off-JT, although the proportion is smaller than among regular employees.

the employer uses them, and the skills development opportunities for non-regular employees are presumably diversifying. However, previous Japanese studies have not conducted adequate empirical analysis of the difference in the career and skills development opportunity among non-regular employees that stems from the way employers use them.

Therefore, this paper will examine, based on a questionnaire survey conducted on individuals, the relationship between how companies use non-regular employees and the in-company career and skills development opportunity for such employees. The examination will focus particularly on the system to convert non-regular employees into regular employees as a personnel management practice that reflects the employer's use of personnel.⁴

As the use of non-regular employees grows in Japan, an increasing number of companies are introducing the system to convert non-regular employees into regular employees.⁵ From previous studies, it may be concluded that among major functions that companies expect such a system to have are (i) securing a sufficient pool of regular employees and (ii) producing positive results related to non-regular employees, such as reducing the turnover of non-regular employees and improving their working morale.⁶ In particular, companies eager to train non-regular employees tend to expect the system to both secure a sufficient pool of regular employees and to reduce the turnover of non-regular employees and improve their working morale (Sano 2008).

Presumably, such companies tend to provide non-regular employees with a career path that enable them to experience a progressively wider range of jobs and jobs requiring more advanced skills.⁷ In this respect, a case study regarding the system to convert

⁴ A study on the use of non-regular employees as a core workforce in Japan indicated that companies that assign non-regular employees to an advanced level of jobs similar to those to which regular employees are assigned tend to adopt an evaluation and treatment system specific to non-regular employees (Honda 1993). The study suggests the importance of such a system for developing an in-company career path for non-regular employees and for promoting their skills development. Meanwhile, this paper examines the effects of the introduction of the system to convert non-regular employees into regular employees in particular.

⁵ According to the Fiscal 2009 Survey on the Actual State of Fixed-Term Employment Contracts (survey on private employers with five or more permanent employees), 46.5% of employers using fixed-term contract workers adopted the system to convert non-regular employees into regular employees.

⁶ Japanese companies introduce the system to convert non-regular employees into regular employees for a variety of purposes and reasons. Based on a case study, Takeishi (2008) cited the following typical purposes and reasons: securing the diversity of personnel; having high expectations of non-regular employees as skilled workers; low turnover rate after job-switching; raising the motivation of non-regular employees; finding capable personnel among non-regular employees.

⁷ An analysis by Hara (2009) corroborates this tendency by indicating that among companies that assign non-regular employees (part-time and *arubaito* workers) to jobs similar to those to which regular employees are assigned, a large proportion has introduced the system to convert non-regular employees into regular employees. The analysis results suggest that companies that have introduced the system to convert non-regular employees into regular employees tend to assign non-regular employees to a wide range of jobs.

non-regular employees into regular employees (Watanabe 2009) pointed out that some companies that have introduced such a system provide a career path that enables non-regular employees to experience jobs requiring progressively more advanced skills and helps them develop skills, for example by grading and classifying them according to the levels of their skills and jobs and by applying a qualification certification system similar to the one applied to regular employees.⁸

However, Watanabe (2009) also indicated that some companies introduce the category of non-regular employees for trial employment to identify workers suited to be rehired as regular employees. Such companies are presumed to attach particular importance to securing a sufficient pool of regular employees. All the same, during the trial employment period in many cases, they assign non-regular employees to jobs similar to the ones to which regular employees are assigned, presumably in order to identify workers suited to be rehired as regular employees⁹.

As shown above, companies that have introduced the system to convert non-regular employees into regular employees are willing to assign non-regular employees to a wide range of jobs and jobs requiring advanced skills, rather than having them continue to do the same job. As a result, it may be presumed that non-regular employees at such companies tend to have increased opportunity to experience a wide variety of jobs and develop skills.

To examine the actual circumstances, this paper will analyze, based on data collected through a questionnaire survey on individual employees, the relationship between the presence or absence of the system to convert non-regular employees into regular employees, the experience of a wide variety of jobs that may facilitate career development and non-regular employees' skills development.¹⁰ The data used derive from the Survey on Working and Learning (JILPT 2009), which was conducted in October through December 2008 by the

⁸ In addition, Genda (2011) pointed out that non-regular employees rehired by the same employer as regular employees (i) tend to have worked for a longer period of time in the previous non-regular post compared with non-regular employees who become regular employees through company-hopping; (ii) are likely to have experienced jobs that enable skills development while working as non-regular employees in light of the self-evaluation provided through a questionnaire survey and (iii) are likely to have been rehired as regular employees because the employers appreciated the skills developed through such experience. This analysis suggests that at companies that have introduced the system to convert non-regular employees into regular employees, non-regular employees have career development opportunity.

⁹ By identifying the relationship between the types of jobs assigned to contract workers and the system to convert non-regular employees into regular employees based on a case study, Takahashi (2010) showed that some employers use the contract worker system for the purpose of trial employment. In addition, Takahashi showed that in such cases, non-regular employees are assigned to jobs similar to those to which regular employees are assigned.

¹⁰ As the analysis examines the effects of non-regular-to-regular conversion, temporary agency workers (temporary agency workers as defined under the Worker Dispatching Act) rehired as regular employees after transfer from temporary staff agencies are excluded. As a result, the analysis focuses on directly employed non-regular employees. As for career development of temporary agency workers, refer to Shimizu (2009), Sano & Takahashi (2009) and Sano (2010).

Japan Institute for Labour Policy and Training. As this is a large-scale survey conducted on regular and non-regular employees, its results are believed to include valuable data, including information related to jobs, education and training and skills development.¹¹

Below, I will first identify the differences between the in-company career and skills development opportunities available for regular and non-regular employees. Second, I will analyze the differences in the career development and education and training opportunities among non-regular employees in relation to the presence or absence of the system to convert non-regular employees into regular employees. Third, I will point out the implications of the analysis results.

II. In-Company Career and Skills Development of Regular and Non-Regular Employees

As discussed in the previous section, Japanese companies assign jobs to regular and non-regular employees in different ways; whereas they train and use regular employees along the path of a long-term career, they generally confine non-regular employees to routine jobs. As a result, the variety of jobs experienced by non-regular employees and their skills development opportunity tend to be limited.

However, the difference between the career development opportunities for regular employees and non-regular employees has not necessarily been examined on the basis of empirical data. Therefore, this section will first identify the state of the in-company career and skills development opportunities for regular employees and non-regular employees.

1. Job-Related Changes and Education and Training

It is known that experiencing a broad range of jobs promotes skills development (Koike 2005). This applies equally to regular and non-regular employees. As benchmarks related to working experiences, I will look at three variables—"expansion of the range of jobs," "advancement of the job level" and "increase in job responsibility"—based on answers to the questionnaire survey.¹² Job-related changes such as an expansion of the range of jobs, advancement of the job level the increase in job responsibility are presumed to be important aspects of an in-company career.

As benchmarks related to education and training, I will look at the following variables: whether the employee frequently received guidance and advice from seniors and

¹¹ The survey was targeted at regular and non-regular employees aged 25 to 44, an age group for which skills development is particularly important. As employees aged 24 or younger are not among the target subjects, most students working as non-regulars are presumably not covered by the survey.

¹² As part of the question "Have you experienced the following items that enable you to develop skills and knowledge between April 2007 and March 2008 (the previous business year)?" the subjects were asked about "job-related changes experienced between April 2007 and March 2008 (the previous business year)."

coworkers, whether the employee frequently learned from the way seniors and coworkers do jobs, whether the employee received off-the-job training (Off-JT), and whether the employee made self-education effort.

Table 1 shows the proportions of people, among regular employees and non-regular employees, who experienced job-related changes and received education and training in fiscal 2007 as broken down by employment longevity.^{13,14} To examine the status of working experiences and education and training at the current employer, the table includes only data concerning respondents who started working at the current employer before 2007 (the same applies to Tables 2 to 7).

As for regular employees, the proportions of people who said the range of jobs expanded, those who said the job level advanced, those who said they frequently received guidance and advice from seniors and coworkers, those who received Off-JT and those who said they made self-education effort were largest among employees with employment longevity of up to around three years.

In other words, regular employees generally experience an expansion of the range of jobs and an advancement of the job level in the first three years of service. In the first three years, regular employees also receive education and training, including learning from the way seniors and coworkers do jobs, participating in training programs and making self-education effort.

In addition, among regular employees with employment longevity of four years or more, around 50% also said the range of jobs expanded and the job level advanced. Moreover, around 50% said job responsibility increased across all employment longevity groups. Around 40-50% also said they received Off-JT across all groups.

From this, it can be concluded that regular employees have continuous opportunities to experience job-related changes and receive Off-JT for an extended period of time.

Among non-regular employees, the proportion of people who experience job-related changes and receive education and training is low across all employment longevity groups compared with regular employees, meaning that non-regular employees generally have limited opportunity regarding the variety of jobs and education and training.

Even so, 43.3% of non-regular employees said the range of jobs expanded and 36.5% said the job level advanced. The proportion of people who said job responsibility increased was 29.5% among non-regular employees with employment longevity of up to around three years and 30.4% among those with longevity of 4 to 5 years. As in the case of regular

¹³ Employment longevity was calculated on the basis of the starting year at the current employer.

¹⁴ The survey results indicated (although not indicated in the table) that the employment longevity of non-regular employees tends to be shorter than that of regular employees. Workers with longevity of around nine years or longer accounted for around half (49.4%) of all regular employees, while workers with longevity of up to around three years accounted for more than half (57.8%) of all non-regular employees. Non-regular workers' relatively short employment longevity is presumed to be an impediment to in-company career and skills development (Sano 2007).

Table 1. Relationship between Employment Longevity and Experience of Jobs, Education and Training in Fiscal 2007 Broken Down by Employment Arrangement

	Range of jobs expanded	Job level advanced	Job responsibility increased	Frequently received guidance and advice from bosses and coworkers	Sometimes received guidance and advice from bosses and coworkers	Frequently learned from the way bosses and coworkers do jobs	Sometimes learned from the way bosses and coworkers do jobs	Received Off-JT	Made self-education effort	N
Regular employees										
Up to approx. 3 yrs (10 mths to 2 yrs & 9 mths)	63.7%	60.6%	50.5%	45.8%	38.8%	42.8%	41.5%	47.4%	38.8%	325
Up to approx. 5 yrs (2 yrs & 10 mths to 4 yrs & 9 mths)	58.0%	55.3%	51.0%	33.5%	42.8%	30.0%	44.4%	41.6%	35.8%	257
Up to approx. 8 yrs (4 yrs & 10 mths to 7 yrs & 9 mths)	52.2%	46.0%	48.7%	25.3%	45.7%	22.8%	47.6%	44.9%	29.8%	372
9 yrs or longer (7 yrs & 10 mths or longer)	52.0%	50.3%	53.6%	20.5%	48.8%	19.2%	47.6%	44.7%	27.2%	1076
All regular employees	54.6%	51.8%	51.9%	27.1%	45.9%	25.0%	46.2%	44.8%	30.6%	2030
Non-regular employees										
Up to approx. 3 yrs (10 mths to 2 yrs & 9 mths)	43.3%	36.5%	29.5%	34.0%	45.2%	33.7%	43.9%	22.1%	20.5%	312
Up to approx. 5 yrs (2 yrs & 10 mths to 4 yrs & 9 mths)	34.6%	32.7%	34.0%	19.9%	44.9%	20.5%	49.4%	20.5%	17.9%	156
Up to approx. 8 yrs (4 yrs & 10 mths to 7 yrs & 9 mths)	37.0%	27.7%	24.4%	17.6%	41.2%	18.5%	46.2%	16.8%	17.6%	119
9 yrs or longer (7 yrs & 10 mths or longer)	26.7%	22.9%	22.9%	15.2%	38.1%	10.5%	35.2%	15.2%	16.2%	105
All non-regular employees	37.7%	32.1%	28.6%	25.1%	43.4%	24.6%	44.2%	19.8%	18.8%	692

Notes: 1. The above data cover only people who worked for the same employer since before 2007 and worked during April, 2007 to March, 2008.

2. Non-regular employees include part-time, *arubaito*, contract, *shokutaku* and temporary workers but not temporary agency workers. Civil servants are excluded from the above data. The same applies to the following tables.

employees, non-regular employees with shorter employment longevity have a higher chance to experience job-related changes and receive education and training.

However, among non-regular employees with longer employment longevity, the proportion of people who said the job level advanced was low. Moreover, the proportion of people who said job responsibility increased was substantially low among non-regular employees with longevity of five years or more. Among non-regular employees with longevity of nine years or more, the proportion of people who said the range of jobs expanded was particularly low. This trend provides a sharp contrast to the absence of a significant difference in the proportion of regular employees who experienced such job-related changes across employment longevity groups.

As shown above, compared with regular employees, non-regular employees with comparable employment longevity tend to have limited opportunity to experience job-related changes such as an expansion of the range of jobs and an advancement of the job level and to receive education and training. In addition, the longer the employment longevity is, the more limited the opportunity to experience such job-related changes becomes.¹⁵

2. Difference in Skills Development Opportunities between Regular and Non-Regular Employees

Presumably, the difference in the job experience and education and training opportunity between regular and non-regular employees affects skills development. To be more specific, regular employees who have frequent opportunity to experience job-related changes over an extended period of time can develop their skills in the long term. On the other hand, non-regular employees, with their limited opportunity to experience job-related changes and limited period of time to do so, may be presumed to have less chance to develop skills across all employment longevity groups compared with regular employees. Does the presumption match the reality?

In relation to that question, Table 2 shows the tallies of answers to the question concerning changes in the “job performance ability” as broken down by employment longevity during the period between April 2007 and the survey period (October to December of 2008). To examine the state of skills development at the current employer at the time of the survey, the table covers only data concerning non-regular employees who started working for the current employer before 2007.

¹⁵ Regarding career, regular employees are also presumed to have increased opportunity for promotion to managerial posts compared with non-regular employees (Sano 2009). The survey results indicated (although not indicated in the table) that workers in managerial posts accounted for nearly half of regular employees with employment longevity of around nine years or longer, and 12.7% were division chiefs or people in similar positions. Meanwhile, none of non-regular employees selected “managerial post (division chiefs or higher posts or executive managers at companies and government organizations)” as their answer. Presumably, non-regular employees are more eligible to be promoted to lower management posts than regular employees.

Table 2. Relationship between Employment Longevity and Change in Job Performance Ability Compared with April 2007 Broken Down by Employment Arrangement

	Increase	Moderate increase	No change	Moderate decrease	Decrease	No reply	Total	N
Regular employees								
Up to approx. 3 yrs (10 mths to 2 yrs & 9 mths)	8.6%	47.4%	41.2%	1.5%	0.0%	1.2%	100.0%	325
Up to approx. 5 yrs (2 yrs & 10 mths to 4 yrs & 9 mths)	7.4%	46.5%	44.2%	0.8%	0.8%	0.4%	100.0%	258
Up to approx. 8 yrs (4 yrs & 10 mths to 7 yrs & 9 mths)	7.2%	29.9%	61.0%	0.5%	0.3%	1.1%	100.0%	374
9 yrs or longer (7 yrs & 10 mths or longer)	4.0%	30.2%	61.5%	1.9%	0.6%	1.8%	100.0%	1078
All regular employees	5.7%	35.0%	56.0%	1.4%	0.5%	1.4%	100.0%	2035
Non-regular employees								
Up to approx. 3 yrs (10 mths to 2 yrs & 9 mths)	3.8%	35.0%	57.7%	1.3%	0.6%	1.6%	100.0%	317
Up to approx. 5 yrs (2 yrs & 10 mths to 4 yrs & 9 mths)	5.1%	19.2%	71.8%	1.3%	0.0%	2.6%	100.0%	156
Up to approx. 8 yrs (4 yrs & 10 mths to 7 yrs & 9 mths)	5.0%	15.0%	75.8%	0.8%	0.0%	3.3%	100.0%	120
9 yrs or longer (7 yrs & 10 mths or longer)	0.0%	13.3%	82.9%	1.0%	1.0%	1.9%	100.0%	105
All non-regular employees	3.7%	24.8%	67.8%	1.1%	0.4%	2.1%	100.0%	698

Note: The above data cover only people who worked for the same employer since before 2007 and worked during April, 2007 to March, 2008.

The table shows that the proportion of people who experienced an improvement in the job performance ability was lower among non-regular employees than among regular employees across all longevity groups. It also shows that the longer the employment longevity was, the higher the proportion of people who did not experience an improvement was among both regular and non-regular employees. However, whereas less than 70% experienced no change in the job performance ability among regular employees with employment longevity of six years or more, the proportion rose progressively with the length of the longevity among non-regular employees, reaching as high as 82.9% among non-regular employees with longevity of nine years or more.

As indicated above, non-regular employees have limited opportunity to develop skills compared with regular employees across all employment longevity. Among non-regular employees, the longer the longevity is, the smaller that opportunity is.

3. In-Company Career and Skills Development for Non-Regular Employees

As described above, compared with regular employees, non-regular employees with comparable employment longevity have limited opportunity to experience job-related changes and to receive education and training. In addition, the longer their longevity is, the smaller their opportunity to do so is. Consequently, the proportion of people who experience improvement in skills is lower among non-regular employees than among regular employees across all employment longevity groups. Moreover, among non-regular employees, the longer the longevity is, the smaller the skills development opportunity is.

Generally speaking, compared with regular employees, non-regular employees have limited opportunity for career development in terms of assigning them to a progressively wider range of jobs, jobs requiring more advanced skills and jobs with higher responsibility, and also have limited skills development opportunity.

However, it is also true that there are differences in the in-company career path among non-regular employees, as was discussed in Section I. Presumably, even non-regular employees may have increased chance to consistently develop skills if they are given frequent opportunity to experience job-related changes.

For reality-checking in this respect, Table 3 compares the proportion of people who experienced job-related changes and who received education and training during fiscal 2007 among non-regular employees who experienced improvement in job performance ability compared with April 2007 with the proportion of such people among non-regular employees who did not experience improvement. Table 3 indicates that among non-regular employees who experienced improvement in job performance ability, a large proportion of people experienced job-related changes such as an expansion of the range of jobs, an advancement of the job level and an increase in job responsibility and received education and training, including frequent guidance and advice from seniors and coworkers, Off-JT programs and self-education effort.

Table 3. Relationship between Changes in Job Performance Ability Compared with April 2007 and the Experience of Jobs, Education and Training in Fiscal 2007

	Job performance ability improved	Job performance ability not improved	All non-regular employees
Range of jobs expanded	65.3%	26.5%	37.9%
Job level advanced	64.8%	18.6%	32.2%
Job responsibility increased	55.8%	17.5%	28.8%
Frequently received guidance and advice from bosses and coworkers	42.7%	17.5%	24.9%
Sometimes received guidance and advice from bosses and coworkers	40.7%	44.7%	43.5%
Frequently learned from the way bosses and coworkers do jobs	38.2%	46.1%	43.8%
Sometimes learned from the way bosses and coworkers do jobs	10.6%	25.7%	21.2%
Received Off-JT	28.6%	15.7%	19.5%
Made self-education effort	33.7%	13.2%	19.2%
N	199	479	678

Note: The above data cover only people who worked for the same employer since before 2007 and worked during April, 2007 to March, 2008.

From the results, it can be concluded that non-regular employees can develop skills if given the opportunity to experience job-related changes such as an expansion of the range of jobs, an advancement of the job level and an increase in job responsibility.

III. Working Experience and Skills Development of Regular and Non-Regular Employees

The differences in the working experience and skills development opportunity between regular and non-regular employees that were described in the previous section presumably stem from the different ways employers use these two categories of employees. Below, in pursuit of a subject of interest and concern mentioned in Section I, I will examine the relationship between the presence or absence of the system to convert non-regular employees into regular employees and the opportunity to experience job-related changes and develop skills.

As discussed in Section I, companies that have introduced the system to convert non-regular employees into regular employees presumably tend to be willing to assign jobs, including those requiring advanced skills, to non-regular employees in order to (i) use non-regular employees for a wide range of jobs and (ii) identify personnel suited to be rehired as regular employees. As a result, it may be presumed that non-regular employees at such companies tend to have increased opportunity to experience a wide range of jobs and jobs that require advanced skills, and jobs involving increased responsibility compared with non-regular employees at companies that have not introduced such a system.

However, some companies that have introduced such a system convert non-regular employees into regular employees on an irregular basis in order to fill regular job vacancies (Watanabe 2009). The Act on Improvement, etc. of Employment Management for Part-Time Workers requires employers to adopt a system to convert part-time workers into full-time workers, so it may be presumed that some companies have introduced the system to convert non-regular employees into regular employees in order to meet this requirement regardless of how they use non-regular employees in practice. If many companies that have introduced such a system have done so for that reason, it cannot be said that non-regular employees at such companies have increased opportunity to experience a wide range of jobs and an advanced level of jobs. To check the reality, it is necessary to make data-based verification. Below, I will analyze the relationship between the presence or absence of the system to convert non-regular employees into regular employees and the career and skills development opportunity based on data collected through a questionnaire survey.

It should be noted that the presence or absence of the system to convert non-regular employees into regular employees is as recognized by the respondents.¹⁶ Therefore, in cases where the presence of such a system is not fully communicated among non-regular employees or where there are no past records of the conversion of regular employees into non-regular employees despite the presence of such a system, it is highly likely that respondents said that their employers did not have such a system. Consequently, it is presumed that the following analysis results reflect to a significant extent the impact on non-regular employees' career and skills development of whether or not employers raised non-regular employees' awareness about the presence of the system to convert non-regular employees into regular employees and whether or not they were actually operating the system.¹⁷

¹⁶ The question was "Do any of the following descriptions fit your current workplace?" When the answer "There is a system that converts part-time and contract workers into regular employees" was selected, it was deemed that the employer has introduced the system to convert non-regular employees into regular employees.

¹⁷ In this respect, the survey results showed (although not indicated in the table) that 18.4% of non-regular employees working for employers that have introduced the system to convert non-regular employees into regular employees selected the answer "certain to be rehired" when asked "What is the chance of your being rehired as a regular employee by the current employer if you wish to be." Just 15% selected the answer "almost certain to be rehired," while 31.3% chose the answer "even chance

1. System to Convert Non-Regular Employees into Regular Employees and In-Company Career

Table 4 shows the relationship between employment longevity and job-related changes experienced in fiscal 2007 as broken down by the presence or absence of the system to convert non-regular employees into regular employees.¹⁸ We can see that at companies that have introduced the system to convert non-regular employees into regular employees, the proportion of non-regular employees who experienced job-related changes such as an expansion of the range of jobs, an advancement of the job level and an increase in job responsibility was large.

Even at companies that have introduced such a system, the proportion of workers who experienced an expansion of the range of jobs and the advance of the job level are smaller among non-regular employees with longer employment longevity. Still, among non-regular employees with longevity of four years or more, the proportions of workers who experienced an expansion of the range of jobs and those who experienced an advancement of the job level were relatively high, at 46.2% and 43.6%, respectively. Regardless of employment longevity, the proportion of non-regular employees who experienced an increase in job responsibility was higher than 40% (43.9% among those with longevity of up to three years and 42.3% among those with longevity of four years or more).

Table 4 also shows that the proportions of workers who received guidance and advice from seniors and coworkers and those who learned from the way seniors and coworkers do jobs and participated in Off-JT programs are larger among non-regular employees at companies which have introduced the system to convert non-regular employees into regular employees than among non-regular employees at companies which have not.

From the above, it can be concluded that companies that have introduced the system to convert non-regular employees into regular employees tend to assign non-regular employees to a progressively advanced level of and a wide range of jobs regardless of the length of employment and accordingly provide increased education and training opportunity.

The difference in career development opportunity stemming from the presence or absence of the system to convert non-regular employees into regular employees presumably affects the skills development opportunity for non-regular employees. Table 5 shows the relationship between employment longevity and changes in job performance ability compared

of being rehired.” Thus, a total of 64.7% said they had an even or better chance of being rehired as a regular employee. Meanwhile, of non-regular employees working for employers that have not introduced the system to convert non-regular employees into regular employees, 5.1% were “certain to be rehired,” 8.4% were “almost certain to be rehired” and 11.5% saw “an even chance.”

¹⁸ As in Tables 1 to 3, Table 4 covers only non-regular employees who worked for the current employers since before 2007 until the survey period, so non-regular employees hired for trial employment for a period of 10 months or less as a step toward non-regular-to-regular conversion are not included. The same applies to Tables 5 to 7.

Table 4. Relationship between Employment Longevity and the Experience of Jobs, Education and Training in Fiscal 2007 by the Presence or Absence of the System to Convert Non-Regular Employees into Regular Employees

	Range of jobs expanded	Job level advanced	Job responsibility increased	Frequently received guidance and advice from bosses and coworkers	Sometimes received guidance and advice from bosses and coworkers	Frequently learned from the way bosses and coworkers do jobs	Sometimes learned from the way bosses and coworkers do jobs	Received Off-JT	Made self-education effort	N
Presence of the system										
Up to approx. 3 yrs (10 mths to 2 yrs & 9 mths)	57.6%	53.0%	43.9%	42.4%	42.4%	45.5%	34.8%	30.3%	19.7%	66
4 yrs or longer (2 yrs & 10 mths or longer)	46.2%	43.6%	42.3%	16.7%	55.1%	20.5%	43.6%	23.1%	17.9%	78
All employees at employers with the system to convert non-regular employees into regular employees	51.4%	47.9%	43.1%	28.5%	49.3%	31.9%	39.6%	26.4%	18.8%	144
Absence of the system										
Up to approx. 3 yrs (10 mths to 2 yrs & 9 mths)	39.5%	32.5%	25.9%	32.1%	45.7%	30.9%	46.1%	20.2%	21.0%	243
4 yrs or longer (2 yrs & 10 mths or longer)	29.8%	24.4%	24.1%	18.4%	38.1%	16.1%	44.8%	16.7%	17.4%	299
All employees at employers without the system to convert non-regular employees into regular employees	34.1%	28.0%	24.9%	24.5%	41.5%	22.7%	45.4%	18.3%	19.0%	542

Note: The above data cover only people who worked for the same employer since before 2007 and worked during April, 2007 to March, 2008.

Table 5. Relationship between Employment Longevity and Change in the Job Performance Ability Compared with April 2007 by the Presence or Absence of the System to Convert Non-Regular Employees into Regular Employees

	Increase	Moderate increase	No change	Moderate decrease	Decrease	No reply	Total	N
Presence of the system								
Up to approx. 3 yrs (10 mths to 2 yrs & 9 mths)	10.3%	47.1%	36.8%	1.5%	1.5%	2.9%	100.0%	68
Up to approx. 5 yrs (2 yrs & 10 mths to 4 yrs & 9 mths)	5.1%	17.7%	74.7%	0.0%	0.0%	2.5%	100.0%	79
All employees at employers with the system to convert non-regular employees into regular employees	7.5%	31.3%	57.1%	0.7%	0.7%	2.7%	100.0%	147
Absence of the system								
Up to approx. 3 yrs (10 mths to 2 yrs & 9 mths)	1.6%	32.1%	63.8%	1.2%	0.4%	0.8%	100.0%	246
Up to approx. 5 yrs (2 yrs & 10 mths to 4 yrs & 9 mths)	3.3%	15.7%	76.9%	1.3%	0.3%	2.3%	100.0%	299
All employees at employers without the system to convert non-regular employees into regular employees	2.6%	23.1%	71.0%	1.3%	0.4%	1.7%	100.0%	545

Note: The above data cover only people who worked for the same employer since before 2007 and worked during April, 2007 to March, 2008.

with 2007 as broken down by the presence or absence of such a system.

Table 5 shows that the proportion of workers who experienced an “increase” or a “moderate increase” in job performance ability was larger among non-regular employees at companies that have introduced such a system than among non-regular employees at companies that have not regardless of employment longevity. As shown in Table 4, companies with such a system provide particularly increased opportunity for non-regular employees to experience job-related changes and to receive education and training. Presumably for that reason, the proportion of non-regular employees who experienced improvement in skills is larger at such companies.

2. Effects of the System to Convert Non-Regular Employees into Regular Employees on Non-Regular Employees’ Working Experience

From the above analysis, it can be concluded that companies that have introduced the system to convert non-regular employees into regular employees tend to assign non-regular employees to a progressively advanced level of and a wide range of jobs regardless of employment longevity and provide commensurate opportunity for education and training.

However, it is possible that non-regular employees’ experience of job-related changes is affected not only by the presence or absence of the system to convert non-regular employees into regular employees but also by the difference in the length of working hours and individuals’ attributes, including their job type, last school attended, age and gender, and the workforce size of the employing company and the presence or absence of organized labor.

Regarding individuals’ attributes, non-regular employees who are working full-time, those who are engaging in professional jobs, young non-regular employees, and male non-regular employees are strongly interested in the possibility of conversion into regular employees, so when their employers have the system to convert non-regular employees into regular employees, they are likely to recognize its presence.¹⁹ In addition, full-time workers, young workers and males may generally be able to adapt themselves to the working hours and shifts required of regular employees because they face few time constraints due to household duties. For that reason, such non-regular employees may be assigned to do a particularly wide range of or an advanced level of jobs.²⁰

Moreover, regarding the basic attributes of companies and business establishments, companies with a large workforce and those with a unionized workforce of non-regular em-

¹⁹ Based on the results of the Survey on the Actual State of Diversification of Employment Arrangements, Takahashi (2010) pointed out that contract workers are more eager than part-time workers to convert to regular employee status. Generally speaking, the proportions of full-time workers, workers engaging in professional jobs, young workers and male workers are presumed to be larger among contract workers than among part-time workers.

²⁰ For example, Sano (2000) cited an example case in which a retailer introduced the employment category of full-time contract worker in order to assign non-regular employees to jobs requiring more advanced skills than those to which part-time workers are assigned.

ployees, may be able to provide non-regular employees with long-term career development opportunity as they adopt the system to convert non-regular employees into regular employees.²¹

In light of the above, the relationship between the presence or absence of the system to convert non-regular employees into regular employees and non-regular employees' experience of job-related changes could be merely reflecting the effects of the respondents' individual attributes and their employers' basic attributes.

Therefore, below, I will examine how the presence of the system to convert non-regular employees into regular employees affects non-regular employees' experience of job-related changes based on logistic regression analysis while controlling for the respondents' basic attributes.

As variables concerning non-regular employees' experience of job-related changes, I will look at "range of jobs," "job level" and "gravity of job responsibility" in the previous one year. As was already mentioned, an expansion of the range of jobs, an advancement of the job level and an increase in job responsibility provide career development opportunity that expands non-regular employees' working experiences and promote their skills development.²²

Table 6 shows the results of logistic regression analysis using the following explained variables and explanatory variables—explained variables: expansion of the range of jobs, advancement of the job level and increase in job responsibility in the previous one year; explanatory variables: the presence or absence of the system to convert non-regular employees into regular employees, employment longevity, working hours, job type, last school attended,²³ age, gender, employer's workforce size and the presence or absence of organized labor. As for basic statistics, see the Attached Table on the page 123.

The analysis results in Table 6 show that the presence of the system to convert non-regular employees into regular employees has statistically significant positive effects on all of expansion of the range of jobs, advancement of the job level and increase in job responsibility (at significance levels of 5%, 5% and 1%, respectively). Consequently, it can

²¹ For example, based on a case study concerning unions belonging to the JSD, Honda (2007) cited an example case in which a union organizing non-regular employees proposed to the employer the introduction of the system to convert non-regular employees into regular employees against the backdrop of the use of part-time workers as a core workforce.

²² Specifically, regarding the three variables concerning the career development of non-regular employees, value "1" and value "0" were given as follows: (i) value "1" for the answer "the range of jobs expanded" and value "0" for the answer "no change" and "the range of jobs narrowed"; (ii) value "1" for "the job level advanced" and value "0" for "no change" and "the job level declined"; and (iii) value "1" for "job responsibility increased" and value "0" for "no change" and "job responsibility decreased." In each case, value "0" was given to the latter two answers because it is presumed that there is no difference in the impact on the range of jobs assigned to non-regular employees whether the answer may be one or the other of the two.

²³ "Last school attended" includes a school from which the subject dropped out. The same applies to Table 7.

Table 6. Determinant Factors of Job-Related Changes (Binominal Logistic Regression Analysis)

	Range of jobs expanded		Job level advanced		Job responsibility increased	
	B	Wald	B	Wald	B	Wald
Adopting the system to convert non-regular employees into regular employees	0.488	4.006 **	0.570	5.404 **	0.671	7.392 ***
Employment longevity	-0.079	7.835 ***	-0.066	5.107 **	-0.050	2.912 *
Working less than 35 hours per week	-0.644	9.984 ***	-0.492	5.432 **	-0.426	3.954 **
Professional/technical jobs (standard: clerical jobs)	-0.504	2.356	-0.657	3.404 *	-0.615	2.872 *
Sales	-0.780	7.491 ***	-0.309	1.160	-0.330	1.262
Services	-0.287	1.094	-0.182	0.412	-0.107	0.140
Manufacturing	-0.522	2.631	-0.475	1.962	-0.378	1.223
Transport/security/agriculture/others	-0.947	4.757 **	-0.268	0.395	-0.379	0.751
Graduate of special school/junior or technical college (standard: snr or jnr high)	0.111	0.282	0.143	0.441	-0.004	0.000
Graduate of university or graduate school	-0.337	1.253	-0.117	0.143	-0.222	0.496
Aged 30-34 (standard: aged 25 to 29)	0.434	2.442	0.433	2.265	0.083	0.082
Aged 35-39	0.017	0.003	0.215	0.503	0.012	0.002
Aged 40-44	-0.340	1.336	-0.111	0.132	-0.321	1.081
Women	-0.111	0.158	-0.047	0.027	0.047	0.025
Workforce of 30-99 (standard: 29 or less)	0.142	0.321	-0.138	0.267	0.191	0.528
100-299	0.300	0.986	0.185	0.348	0.171	0.285
300-999	0.325	0.754	0.449	1.458	0.198	0.271
1,000 or more	0.264	0.657	0.368	1.276	-0.036	0.011
Unionized worker	-0.031	0.009	0.099	0.090	0.249	0.572
Constant	0.470	1.421	-0.325	0.639	-0.410	0.992
N		559		559		559
Chi-square		51.395 ***		38.753 ***		27.557 *
Nagelkerke R 2		0.119		0.094		0.069

Notes: 1. The above data cover only people who worked for the same employer since before 2007 and worked during April, 2007 to March, 2008.

2. The above data covers only samples who gave valid replies regarding all explained variables concerning the experience of job-related changes.

3. The figures followed by the marks ***, ** and * are statistically significant at the levels of 1%, 5% and 10%, respectively.

be concluded that even when controlled for the effects of variables such as individuals attributes that may affect career development, the presence of the system to convert non-regular employees into regular employees tends to expand career development opportunity, including an expansion of the range of jobs, advancement of the job level and increase in job responsibility.

However, the analysis results also show that employment longevity has statistically significant negative effects on such job-related changes. Regarding expansion of the range of jobs and advancement of the job level in particular, longevity's negative effects are notable at significance levels of 1% and 5%, respectively. Even when controlled for the effects of the presence or absence of the system to convert non-regular employees into regular employees, it can be said that the longer non-regular employees work for the same employer, the more limited the opportunity to experience an expansion of the range of jobs, an advancement of the job level and an increase in job responsibility become.

From the above, it can be concluded that even when employers have introduced the system to convert non-regular employees into regular employees, non-regular employees tend to have limited opportunity for career development such as expansion of the range of jobs and advancement of the job level if they remain in the non-regular status for a long time. This suggests the importance of ensuring that non-regular employees are actually converted into regular employees if the range of their jobs is to be expanded and their job level is to be advanced to provide increased career development opportunity.

The analysis also found that working less than 35 hours per week has statistically significant negative effects on all of expansion of the range of jobs, advancement of the job level and increase in job responsibility (at significance levels of 1%, 1% and 5%, respectively). It can be said that non-regular employees with shorter working hours tend to have limited opportunity to experience job-related changes such as expansion of the range of jobs, advancement of the job level and increase in job responsibility. Conversely, non-regular employees with longer working hours have increased opportunity to experience such job-related changes.

Compared with non-regular employees engaging in clerical jobs, those engaging in professional and engineering jobs tend not to experience advancement of the job level or increase in job responsibility, albeit at a significance level of 10%. Regarding professional and engineering jobs, employers tend to assign jobs requiring advanced skills and involving grave responsibility to regular employees, and that may be limiting the opportunity for non-regular employees to engage in an advanced level of jobs and jobs involving grave responsibility. Non-regular employees engaging in jobs related to sales, transport, security and agriculture and other jobs (at significance levels of 1% and 5%, respectively), when compared with non-regular employees engaging in clerical jobs, tend not to experience an expansion of the range of jobs. Non-regular employees engaging in jobs related to sales, transport, security and agriculture and other jobs have limited opportunity to experience a progressively wider range of jobs and a more advanced level of jobs compared with

non-regular employees engaging in clerical jobs.

3. Effects of Non-Regular Employees' Working Experience on Skills Development

From the above, it can be concluded that even when controlled for the effects of such variables as individuals' attributes, non-regular employees tend to have increased opportunity to experience job-related changes such as expansion of the range of jobs, advancement of the job level and increase job responsibility if their employers have introduced the system to convert non-regular employees into regular employees.

In light of the analysis results in Table 3, it is presumed that experiencing job-related changes promotes skills development. In addition, the presence of the system to convert non-regular employees into regular employees may promote skills development by enhancing education and training as a step toward the non-regular-to-regular conversion.

Therefore, finally, I will examine the relationship between the experience of job-related changes, the system to convert non-regular employees into regular employees and non-regular employees' skills development. It is possible that skills development opportunity may also be affected by individuals' attributes such as working hours, job type, last school attended, age and gender, and the workforce size and the presence or absence of organized labor at employers²⁴. Therefore, I will examine the effects of job-related changes and the system to convert non-regular employees into regular employees on non-regular employees' skills development based on logistic regression analysis using those variables while controlling for the effects of basic attributes that may affect skills development.

In the analysis, as a benchmark of skills development, which is an explained variable, I will use answers to the question about changes in job performance ability since April of the previous year as self-evaluated by non-regular employees. Value "5" is given to the answer "rise" in job performance ability, "4" to "moderate rise," "3" to "no change," "2" to "moderate decline" and "1" to "decline."

Since this is a subjective benchmark based on self-evaluation, it is possible that the presence or absence of, and the degree of improvement in job performance ability, was not necessarily accurately identified. However, as shown in Table 3, a large proportion of non-regular employees who recognized a rise in job performance ability frequently received guidance and advice from seniors and coworkers and received education and training, including Off-JT and self-education. Therefore, we may presume that this is a benchmark that reflects the level of education and training received to a certain extent. In light of that, I believe that it is appropriate to use the self-evaluation of changes in job performance ability as a benchmark of skills improvement.

²⁴ For example, Hara (2007) pointed out, based on the estimation from the analysis of samples, including both regular and non-regular employees, that employees with short employment longevity, male workers and workers with higher education are highly likely to receive Off-JT. In addition, factors such as job type and company size are presumed to affect the opportunity to receive Off-JT.

Table 7. Determinant Factors of the Experience of Improvement in Job Performance Ability (Ordinal Logistic Regression Analysis)

	B	Wald	
Range of jobs expanded	0.554	3.228	*
Job level advanced	1.244	16.094	***
Job responsibility increased	0.788	7.818	***
Adopting the system to convert non-regular employees into regular employees	0.462	2.977	*
Employment longevity	-0.119	12.023	***
Working less than 35 hours per week	-0.017	0.005	***
Professional/technical jobs (standard: clerical jobs)	0.074	0.040	
Sales	-0.072	0.049	
Services	-0.095	0.093	
Manufacturing	-0.270	0.515	
Transport/security/agriculture/others	0.229	0.241	
Graduate of special school/junior or technical college (standard: senior or junior high)	0.155	0.412	
Graduate of university or graduate school	0.749	5.544	**
Aged 30-34 (standard: aged 25 to 29)	-0.726	5.194	**
Aged 35-39	-0.599	3.261	*
Aged 40-44	-0.163	0.252	
Women	0.523	2.623	
Workforce of 30-99 (standard: 29 or less)	0.359	1.579	
100-299	0.631	3.505	*
300-999	0.416	1.046	
1,000 or more	0.088	0.055	
Unionized worker	0.008	0.001	
N		549	
Chi-square		160.688	***
Nagelkerke R 2		0.319	

Notes: 1. The above data cover only non-regular workers who worked for the same employer since before 2007 and worked during April, 2007 to March, 2008.

2. The figures followed by the marks ***, ** and * are statistically significant at the levels of 1%, 5% and 10%, respectively.

Table 7 shows the analysis results, which indicate that experiencing an expansion of the range of jobs has significant positive effects on the improvement of job performance ability albeit at a significance level of 10%. In addition, experiencing an advancement of the job level and an increase in job responsibility has statistically significant positive effects on the improvement of job performance ability at a significance level of 1%.

From these results, it can be concluded that experiencing job-related changes such as expansion of the range of jobs, advancement of the job level and increase in job responsibil-

ity tends to promote non-regular employees' skills development. In particular, experiencing an advancement of the job level and an increase in job responsibility is presumed to contribute to non-regular employees' skills development.

Moreover, the analysis results indicate that the presence of the system to convert non-regular employees into regular employees has significant positive effects on the improvement of job performance ability albeit at a significance level of 10%. The presence of the system to convert non-regular employees into regular employees may promote non-regular employees' skills development by enhancing education and training as a step toward the non-regular-to-regular conversion.

On the other hand, prolonged employment longevity has statistically significant negative effects on job performance ability at a significance level of 1%. It can be concluded that the longer non-regular employees remain in the non-regular status, the more limited their skills development opportunity is even when controlled for the effects of job-related changes and the presence or absence of the system to convert non-regular employees into regular employees.

Regarding basic attributes used as control variables, working less than 35 hours per week has statistically significant negative effects on the improvement of job performance ability (at a significance level of 1%). On the other hand, regarding the last school attended, attendance at a university or a graduate school, compared with attendance at a junior or senior high school, has statistically significant positive effects on the improvement of job performance ability (at a significance level of 5%). Being in the age groups 30 to 34 years old or 35 to 39 years old, compared with being in the age group 25 to 29 years old, has statistically significant negative effects on the improvement of job performance ability (at a significance level of 5% for the age group 30 to 34 years old and 10% for the age group 35 to 39 years old). Moreover, working for an employer with 100 to 299 employees, compared with working for an employer with 29 employees or less, has statistically significant positive effects on the improvement of job performance ability (at a significance level of 10%). To sum up, non-regular employees' skills are likely to improve in particular if their working hours are relatively long, their last school attended is a university or a graduate school, they are aged 25 to 29 or they work for a company with 100 to 299 employees.

From the above, it can be concluded that experiencing job-related changes such as expansion of the range of jobs, advancement of the job level and increase in job responsibility contributes to non-regular employees' skills development. Moreover, the presence of the system to convert non-regular employees into regular employees may promote non-regular employees' skills development by enhancing education and training as a step toward the non-regular-to-regular conversion.

As described above, the analysis in this section showed that the opportunity for non-regular employees to experience a progressively wider range of jobs, a more advanced level of jobs and jobs with increased responsibility contributes to non-regular employees' skills development. Besides, as shown in the analysis in the previous section, companies

that have introduced the system to convert non-regular employees into regular employees tend to provide non-regular employees with opportunity to experience such job-related changes and accordingly give them increased opportunity for skills development.

IV. Summary

As stated at the beginning, it is an important social challenge in Japan to increase skills development opportunity for non-regular employees. In this paper, I examined the status of non-regular employees' in-company career and skills development compared with the situation of regular employees in light of the results of the questionnaire survey on individual employees. Moreover, I examined how effective the introduction of the system to convert non-regular employees into regular employees, being adopted by an increasing number of Japanese companies, is in increasing non-regular employees' career and skills development opportunity. The main findings of the analysis in this paper are as below.

- i. Compared with regular employees, non-regular employees with comparable employment longevity have limited opportunity to experience job-related changes such as expansion of the range of jobs, advancement of the job level and increase in job responsibility and to receive education and training. Moreover, non-regular employees with longer employment longevity tend to have less opportunity to experience such job-related changes. Accordingly, non-regular employees have limited skills development opportunity compared with regular employees, and the longer non-regular employees' employment longevity is, the less opportunity they have to develop skills.
- ii. However, there are differences in the experience of job-related changes among non-regular employees. The more opportunity non-regular employees have to experience job-related changes such as expansion of the range of jobs, advancement of the job level and increase in job responsibility, the higher chance they have to develop skills.
- iii. Non-regular employees at companies that have adopted the system to convert non-regular employees into regular employees tend to have increased opportunity to experience job-related changes such as expansion of the range of jobs, advancement of the job level and increase in job responsibility. This tendency was found to be statistically significant when the analysis was controlled for such variables as individuals' attributes through logistic regression analysis. Non-regular employees who experienced such job-related changes tended to experience improvement in their skills, and this tendency was also found to be statistically significant when the analysis was controlled for such variables as individuals' attributes through logistic regression analysis.

From the above analysis, it can be concluded that in order to increase non-regular

employees' skills development opportunity in Japan, it is important to enable them to experience a progressively wider range of jobs, a more advanced level of jobs and jobs with higher responsibility. The analysis also found that non-regular employees at companies that have introduced the system to convert non-regular employees into regular employees have increased opportunity to experience job-related changes.

In reality, many companies introduce the system to convert non-regular employees into regular employees after they have for some time used non-regular employees for a wide range of jobs and provided them with a career path that enables them to experience job-related changes over an extended period of time. All the same, presumably, the introduction of the system to convert non-regular employees into regular employees tends to promote career and skills development for non-regular employees by clarifying their career path and the employer's policy of educating non-regular employees with a view to rehiring them as regular employees, by encouraging non-regular employees to develop skills with a view to conversion to regular employee status and by reducing the turnover of non-regular employees.

In light of the above, it is presumed that if employers introduce the system to convert non-regular employees into regular employees and increase non-regular employees' opportunity to become regular employees, it will also expand their opportunity for career development, including the experience of job-related changes such as expansion of the range of jobs, advancement of the job level and increase in job responsibility. The experience of such job-related changes is presumed to increase non-regular employees' skills development opportunity. Therefore, it may be said that an increase in companies adopting the system to convert non-regular employees into regular employees contributes to an expansion of non-regular employees' skills development opportunity.²⁵

However, the analysis in this paper also confirmed that even at companies that have introduced the system to convert non-regular employees into regular employees, non-regular employees with longer employment longevity tend to have limited opportunity to experience job-related changes and develop skills.

Factors behind this tendency include the limit at Japanese companies, including those which assign non-regular employees to a relatively wide range of jobs, impose on the scope of jobs to which non-regular employees are assigned. Because of this limit, non-regular employees tend to have limited opportunity to develop skills by experiencing a wider variety of jobs after working for the same employer for an extended period of time even if the employer has introduced the system to convert non-regular employees into regular employees.

As was confirmed by my analysis, regular employees, unlike non-regular employees,

²⁵ In Japan, stabilizing employment often draws attention as a social effect of the conversion of non-regular employees into regular employees. The analysis results of this paper suggest that the system to convert non-regular employees into regular employees has the effect of increasing non-regular employees' opportunity to experience jobs that lead to skills development.

tend to continue to be given career development opportunity to experience job-related changes. Therefore, regular employees should naturally have more skills development opportunity in the long term compared with non-regular employees. If non-regular employees with long employment longevity are to further develop their skills through the experience of job-related changes, they need to be converted into regular employees.

In light of the above, in order to increase non-regular employees' skills development opportunity in Japan, it is important to promote the introduction of the system to convert non-regular employees into regular employees. If many companies employing non-regular employees introduce the system to convert non-regular employees into regular employees and increase their opportunity to become regular employees, non-regular employees may be given increased opportunity not only to (i) develop their career and skills in the long term through conversion to regular employee status but also to (ii) develop their skills by experiencing a progressively wider range of jobs, a more advanced level of jobs and jobs with greater responsibility while continuing to work as non-regular employees.

Attached Table: Basic Statistics of Variables Used in Tables 6 and 7

	N	Minimum value	Maximum value	Average	Standard deviation
Range of jobs expanded	572	0	1	0.381	0.486
Job level advanced	572	0	1	0.313	0.464
Job responsibility increased	572	0	1	0.287	0.453
Job performance ability improved	560	1	5	3.311	0.589
Employers with the system to convert non-regular employees into regular employees	566	0	1	0.205	0.404
Employment longevity (2008–starting year) (number of years)	572	1	26	4.260	3.659
Working less than 35 hours per week	572	0	1	0.566	0.496
Professional/technical jobs	571	0	1	0.130	0.336
clerical jobs	571	0	1	0.229	0.421
Sales	571	0	1	0.212	0.409
Services	571	0	1	0.221	0.415
Manufacturing	571	0	1	0.137	0.344
Transport/security/agriculture/others	571	0	1	0.072	0.258
Graduated from or dropped out of junior or senior high school	568	0	1	0.495	0.500
Graduate of special school/junior or technical college	568	0	1	0.370	0.483
Graduate of university or graduate school	568	0	1	0.136	0.343
Aged 25-29	572	0	1	0.187	0.390
Aged 30-34	572	0	1	0.266	0.442
Aged 35-39	572	0	1	0.247	0.431
Aged 40-44	572	0	1	0.301	0.459
Women	572	0	1	0.825	0.380
Workforce of 29 or less	572	0	1	0.497	0.500
30-99	572	0	1	0.198	0.399
100-299	572	0	1	0.117	0.322
300-999	572	0	1	0.077	0.267
1,000 or more	572	0	1	0.112	0.316
Unionized worker	565	0	1	0.090	0.287

References

- Aoyama, Etsuko. 1990. Pato taimu rodosha no jinji kanri: Ote supa wo chushin to shite [A study on personnel administration of part-time workers in some supermarkets]. Supecial issue I, *Mita Journal of Economics* 83:155–72.
- Arulampalam, Wiji, and Alison Booth. 1998. Training and labour market flexibility: Is there a trade-off? *British Journal of Industrial Relations* 36, no.4:521–36.
- Genda, Yuji. 2011. Non-permanent employees who have become permanent employees: What awaits them after crossing status or firm borders to become “Permanent.” *Japan Labor Review* 8, no. 3:28–55.
- Hara, Hiromi. 2007. Nihon kigyō no noryōku kaihatsu: 70 nendai zenhan kara 2000 nendai zenhan no keiken kara. [Private sector training in Japan between 1970s and 2000s]. *The Japanese Journal of Labour Studies* 49, no. 6:84–100.
- . 2009. Hiseishain kara seishain he no tankan: Seishain toyo seido no jittai to kino [Non-regular-to-regular conversion: Actual state of conversion system and functions]. In *Jinji manejimento* [Personnel affairs management], ed. Hiroki Sato, 246–72. Kyoto: Mineruba Shobo.
- Honda, Kazunari. 1993. Pato taimu rodosha no kikan rodoryokuka to shōgu seido [Use of part-time workers as a core workforce and working terms]. *The Studies of the Japan Institute of Labour*, no. 6:1–24.
- . 2007. *Chen sutoa no pato taima: Kikanka to atarashii roshikankei* [Use of part-timer workers as a core workforce at chain stores and new labor-management relationship]. Tokyo: Hakuto Shobo.
- Japan Institute for Labour Policy and Training. 2009. *Hataraku koto to manabu koto ni tsuite no chosa* [Research on working and learning], JILPT Research Series no. 63. Tokyo: The Japan Institute for Labour Policy and Training.
- . 2010. Hiseishain no kyaria keisei: Noryōku kaihatsu to seishain tenkan no jittai [Career development of contingent workers: The current status of ability development and the transition to regular employees]. JILPT Research Report no. 117. Tokyo: The Japan Institute for Labour Policy and Training.
- Keidanren (Nippon Keieisha Dantai Renmei [Japan Federation of Employers’ Associations]). 1995. *Shin jidai no nihonteki keiei* [Japanese-style management” in a new age]. Tokyo: Nippon Keieisha Dantai Renmei.
- Koike, Kazuo. 2005. *Shigoto no keizaigaku, dai 3 pan* [Economics of work, 3rd ed]. Tokyo: Toyo Keizai Shinposha.
- Kurosawa, Masako, and Hiromi Hara. 2009. Kigyōnai kunren no jisshi kitei yoin ni tsuitenō bunseki: Off-JT wo toriagete [Analysis of determinant factors of in-house training: Off-JT.] In *Hiseishain no kigyōnai kunren ni tsuite no bunseki: Heisei 18 nendō noryōku kaihatsu kihon chosa no tokubetsu shukei kara* [From the results of ‘fiscal 2006 skills development basic survey’ which analyzed in-house training of

- non-regular employees], JILPT Research Report no. 110, 11–55. Tokyo: the Japan Institute for Labour Policy and Training.
- Lepak, David P., and Scott A. Snell. 1999. The human resource architecture: Toward a theory of human capital allocation and development. *Academy of Management Review* 24, no.1:31–48.
- Mitsuyama, Masako. 1991. Pato taima senryokuka to kigyonai kyoiku [Utilization of part-time workers and training within enterprises]. *The Japanese Journal of Labour Studies* 33, no. 4:28–36.
- Nakamura, Megumi. 1989. Gino to iu shiten kara mita pato taimu rodo mondai [Issues related to part-time jobs from the perspective of skills]. In *Gino to iu shiten kara mita pato taimu rodo mondai ni tsuiten no kenkyu* [Study on issues related to part-time jobs from the perspective of skills], Osaka Office of Youth and Women's Issues, Ministry of Labor and Study Group on Improvement of Part-Time Jobs and Labor Management in Osaka.
- Park, Hongmoon, and Mitsutoshi Hirano. 2008. Hiseiki rodosha no shitsuteki kikanka to soshiki no kyokai: Bungyo moderu no kochiku [Development of qualitative utilization of non-regular workers and boundary of organization: Building the divisions of labor model]. *Japan Journal of Human Resource Management* 10, no. 1: 17–30.
- Sano, Yoshihide. 2000. Pato rodo no shokuiki to roshi kankei: Hyakkatengyo A sha no jirei [Job range for part-time workers and labor-management relationship: Case of department store operator A]. *The Japanese Journal of Labour Studies* 42, no. 8:12–25.
- . 2006. Jakunenso koyosha no noryoku kaihatsu no shigoto ishiki [Young employers' perspective on work in relation to skills development]. In *Nipponjin no hatarakikata to sefuthi netto* [Japanese people's working styles and safety nets], JILPT Research Material Series no. 14, 31–57. Tokyo: the Japan Institute for Labour Policy and Training.
- . 2007. Jakunenso no noryoku kaihatsu ni okeru seishain to hiseishain no chigai [Differences in skills development between young regular and non-regular employees]. In *Hatarakikata no tayoka to sefuthi netto: Noryoku kaihatsu to waku raifu baransu ni chakumoku shite* [Diversification of working styles and safety nets: Focusing on capability development and work-life balance], JILPT Research Report no. 75, 56–73. Tokyo: the Japan Institute for Labour Policy and Training.
- . 2008. Seishain toyo no shikumi to unyo: Jigyosho no torikumi to hiseishain no shiten [Mechanism and operation of the system to convert non-regular employees into regular employees: Employers' activities and viewpoint of non-regular employees]. In *Hiseiki koyosha no koyo kanri to noryoku kaihatsu ni kansuru chosa kenkyu hokokusho* [Research report on employment management and skills development for non-standard workers], ed. Employment and Human Resources Development Organization of Japan and Japan International Labour Foundation, 63–90. Yokohama: Employment and Human Resources Development Organization of Japan. Tokyo: Japan International Labour Foundation.

- . 2009. Hitenkei koyo no jinzai katsuyo: Hitenkei koyo no shigoto to sono warifuri [Use of non-typical employees: Job assignment for non-typical employees]. In *Jinji manejimento* [Personnel affairs management], ed. Hiroki Sato, 185–215. Kyoto: Mineruba Shobo.
- . 2010. Seisan bunya ni okeru jakunenso no ukeoi, haken sutaffu no kyaria [Career paths of young contract and temporary agency workers in the manufacturing sector]. In *Jissho kenkyu: Nippon no jinzai bijinesu—Atarashii jinji manejimento to hatarakikata* [Empirical research: Personnel business in Japan—New personnel affairs management and working styles], ed. Hiroki Sato, Yoshihide Sano and Satoko Hotta, 431–462. Tokyo: Nihon Keizai Shinbun Shuppansha.
- Sano, Yoshihide, and Koji Takahashi. 2009. Seihin kaihatsu ni okeru haken gijutsusha no katsuyo: Hakensaki ni yoru gino kojo to shigoto iyoku [Management of dispatched engineers in the Japanese R&D sections: The training opportunity at user's R&D workplace and its effect on engineer's motivation]. *The Japanese Journal of Labour Studies* 51, no. 1:13–28.
- Sato, Hiroki, Yoshihide Sano, and Hiromi Hara. 2003. Koyo kubun no tagenka to jinji kanri no kadai: Koyo kubunkan no kinko shogun [Diversifying employment categories and issues of HRM: Balancing wages across employment categories]. *The Japanese Journal of Labour Studies* 45, no. 9:2–17.
- Shimizu, Naomi. 2009. Career formation and utilization of temporary agency workers. *Japan Labor Review* 6, no. 4:72–92.
- Takahashi, Koji. 2010. Keiyakushain no shokuiki to seishainka no jittai [Realities of occupational fields of contract workers and conversion of their employment contracts to become regular employees]. JILPT Discussion Paper 10-03, the Japan Institute for Labour Policy and Training, Tokyo.
- Takeishi, Emiko. 2002. Hiseiki rodosha no kikan rodoryokuka to koyo kanri no henka [Use of non-standard workers as a core workforce and changes in employment management]. *NLI Research Institute Report* 263:1–36.
- . 2008. Hiseiki shain kara seishain he no tenkan seido ni tsuite [Conversion system from part-time worker to full-time work]. *The Japanese Journal of Labour Studies* 50, no. 4:50–53.
- Wakisaka, Akira. 1986. Supa ni okeru joshi rodoryoku [Female worker in super market industry]. *Okayama Economic Review* 17, nos. 3 and 4: 853–66.
- Watanabe, Yuko. 2009. Seishain toyo jirei ni miru koyo kubun no tagenka to tenkan no genjo [Current diversification of employment in conversion cases from non-regular-work to regular-work]. *The Japanese Journal of Labour Studies* 51, no. 5:49–58.
- Yasuda, Hiroki. 2008. Hiseishain no katsuyo ga kigyonai kunren ni ataeru eikyo [The impact of using non-regular workers on on-the-job-training]. *Journal of the Ohara Institute for Social Research*, no. 597 (August):19-37.

The Ways of Working and Consciousness of *Keiyaku-Shain*

Koji Takahashi

The Japan Institute for Labour Policy and Training

This paper elucidates the ways of working and consciousness of *keiyaku-shain* (directly-employed full-time workers on fixed-term contracts, excluding those who have been reemployed after reaching the mandatory retirement age), who have not been the subject of many labor studies conducted hitherto. Firstly, when their ways of working and consciousness were compared with those of workers in other forms of employment and work, the characteristics that emerged were (i) there are many who are involuntarily employed as *keiyaku-shain*; (ii) they have a strong sense of dissatisfaction in regard to their wages, perhaps because although the nature of their duties is similar to those of regular employees, they do not receive a commensurate level of pay; and (iii) there are many who wish to transition to being regular employees. Furthermore, when *keiyaku-shain* were classified into four categories on the basis of their attributes, the following characteristics emerged: (a) specialist *keiyaku-shain* face relatively few problems; (b) young *keiyaku-shain* have a strong desire to transition to being regular employees; (c) *keiyaku-shain* who are supplementing the family finances face the problems of low wages and wage dissatisfaction; and (d) *keiyaku-shain* in the subsistence category are compelled to work as *keiyaku-shain*, due to the harsh environment in regard to reemployment and changing jobs. This suggests that individual measures are required, which focus on young *keiyaku-shain*, *keiyaku-shain* who are working to supplement the family finances, and mature *keiyaku-shain*, respectively, in addition to implementing general measures.

I. Introduction

1. Objectives of This Paper

The objective of this paper is to elucidate the problems being faced by *keiyaku-shain* (directly-employed full-time workers on fixed-term contracts, excluding those who have been reemployed after reaching the mandatory retirement age) in Japan, as well as ascertaining the implications for the requisite measures, by analyzing their ways of working and consciousness.¹

2. Definition of Concepts

In general, three criteria are used when classifying the forms of employment and work: (i) whether it is direct employment or indirect employment; (ii) whether it is full-time or part-time; and (iii) whether it is indefinite employment or fixed-term employment. When

¹ As will be stated just below, this kind of usage of the term “*keiyaku-shain*” is not necessarily based on any legal grounds, and is simply used in this way in this paper.

classifying those who work at Japanese companies, these criteria also have specific meanings.

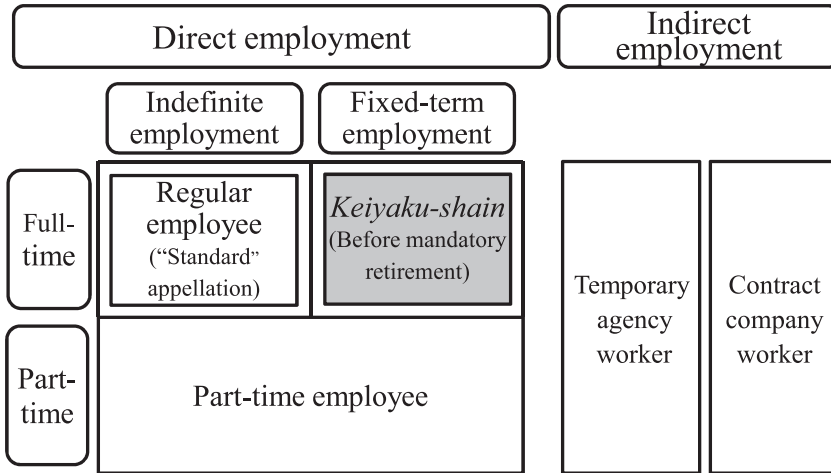
However, it is not necessarily possible to explain clearly the ways of working and consciousness of Japanese workers using these criteria alone. Firstly, looking at the situation objectively, even if the three conditions of direct employment, full-time employment and indefinite employment are satisfied, the conditions of employment differ considerably according to whether or not the worker is referred to as a “standard worker” at the place of employment. For example, according to the Ministry of Health, Labour and Welfare’s Basic Survey on Wage Structure (2011), amongst indefinite full-time workers at companies with at least 10 employees, whereas the average scheduled monthly earnings for those referred to as “standard workers” at their place of employment is ¥314,400, the figure is ¥182,800 for those who are not referred to as “standard workers” at their place of employment. In addition, reflecting the fact that conditions of employment differ greatly according to the term used to describe workers at their place of employment, when talking about the “growth of non-standard employment” in Japan, this refers to the increase in the number of workers other than those referred to as “standard workers” at their place of employment.²

Secondly, the boundary between full-time and part-time employment is not necessarily determined on the basis of an absolute standard. Firstly, in Japan’s Part-time Workers’ Act, the term “part-time worker” is defined as “a worker whose prescribed weekly working hours are shorter than those of ordinary workers employed at the same place of business.” Accordingly, even if the working hours are the same (for example, a prescribed working week of 37.5 hours), they might be deemed to be full-time in some cases and part-time in others, depending on the business. Moreover, in Japan there are also workers called “pseudo-part-time workers.” A “pseudo-part-time worker” is one who has the same prescribed working hours as an “ordinary worker” as referred to in the aforementioned clause, but who is referred to by the term “part-time worker” or “*arubaito*”³ at their place of employment. Looking at the situation objectively, they are full-time, so they do not fall within the scope of application of the Part-time Workers’ Act. However, as they are clearly differentiated from standard workers, there are many cases in which their wages and education and training opportunities are inferior to those of “ordinary workers.”

Thirdly, there is a big difference in terms of ways of working and consciousness between non-standard workers of working age (generally aged under 60) and non-standard workers who have been reemployed after reaching the mandatory retirement age (generally aged 60 or above). For example, the level of job satisfaction amongst non-standard workers

² The Labour Force Survey and Employment Status Survey conducted by the Ministry of Internal Affairs and Communications, which are viewed as basic data for gaining an insight into employment trends in Japan, also grasp whether or not a worker is a standard staff member or employee, based on the appellation used at the place of employment.

³ In general, the Japanese word *arubaito* (derived from the German word “Arbeit”) usually refers to short-term employment.



Source: Compiled by the author.

Figure 1. Definition of Concepts in This Paper

aged 60 or above is considerably higher than that of non-standard workers aged 59 or below. Conversely, in the case of non-standard workers aged 60 or above, the proportion indicating that “there were no opportunities to become a standard staff member or employee” as their reason for choosing their current way of working was low in comparison to non-standard workers aged 59 or below, while in regard to wishes concerning their future way of working, the proportion stating that they “want to transition to being a standard staff member or employee” was also low.⁴

If we define the concepts relating to the forms of employment and work used in this paper based on the aforementioned situation, they are as shown in Figure 1. This diagram should be read as follows. Firstly, workers can be broadly classified as directly-employed workers, who are hired directly by a business establishment where they work, or indirectly-employed workers, who are those who do not fall within the first category. Furthermore, the latter can be classified as temporary agency workers, who are dispatched by a temporary staffing agency in accordance with the Worker Dispatching Act, or contract company workers, who work at a business establishment belonging to the client, based on the service contract between the two companies.⁵ Secondly, directly-employed workers can be classified as full-time workers or part-time workers.⁶ Here, those to whom the Part-time Workers’ Act

⁴ See Ministry of Health, Labour and Welfare, General Survey on Diversified Types of Employment (2007).

⁵ In the cases of both temporary agency workers and contract company workers, there are both those in indefinite employment and those in fixed-term employment, as well as full-time workers and part-time workers.

⁶ As stated above, there are no absolute criteria for distinguishing between full-time and part-time workers.

is applicable are deemed to be part-time workers, while those to whom it is not are deemed to be full-time workers. Part-time workers are referred to as “part-time employees.” In addition, the category “part-time employees” includes both part-time employees in indefinite employment and part-time employees in fixed-term employment, but as the data discussed below demonstrate, the differences between the two in terms of ways of working and consciousness are not very great. Thirdly, amongst the workers who are in direct employment, full-time employment and indefinite employment, those who are referred to as standard workers at their place of employment are called regular employees.⁷ Fourthly, amongst the workers who are in direct employment, full-time employment and fixed-term employment, those who have not yet reached the mandatory retirement age are called *keiyaku-shain*, in accordance with the customary practice.⁸ These people form the main focus of the study described in this paper.

3. Focus on *Keiyaku-Shain*

So why does this paper focus on *keiyaku-shain* (directly-employed full-time workers on fixed-term contracts, excluding those who have been reemployed after reaching the mandatory retirement age)?

Firstly, in fact, it is not necessarily the case that there are many *keiyaku-shain* as defined in this paper. It is not official statistical data, but according to The Japan Institute for Labour Policy and Training (2011a), the number of *keiyaku-shain* in Japan is estimated at around 6%-9% of all employed workers. Moreover, there is no clear evidence that their numbers have been increasing rapidly of late. Secondly, however, hardly any of the labor studies carried out to date have focused on *keiyaku-shain*, and there are many matters relating to their ways of working and consciousness that are unclear. The majority of non-standard workers in Japan are part-time employees, whose numbers increased in the aftermath of the 1970s oil crises, so studies of such employees have for a long time tended to be the main focus of research into non-standard work in Japan. In the 2000s, studies began to examine temporary agency workers, who experience particularly large problems in terms of employment stability. In contrast, there have been hardly any studies concerning *keiyaku-shain*. Thirdly, at the time of writing this paper, the Part-time Workers’ Act is applied to part-time employees, while the Worker Dispatching Act is applied to temporary agency workers, but there is no legislation that specifically provides for the appropriate uti-

⁷ In regard to this, those who are in direct employment, full-time employment and indefinite employment, but are not referred to as standard workers at their place of employment are excluded from the scope of the study described in this paper.

⁸ In regard to this, of those who are in direct employment, full-time employment and fixed-term employment, those who are reemployed after reaching the mandatory retirement age are often called “*shokutaku*.”

lization and development of the conditions of employment of *keiyaku-shain*.⁹ Accordingly, as well as analyzing the ways of working and consciousness of *keiyaku-shain* in order to elucidate the problems that they face, this paper seeks to identify the implications in regard to the measures required to deal with these.

4. Structure of This Paper

The structure of this paper is as follows. Section II explains the data used. Section III elucidates the characteristics of the ways of working and consciousness of *keiyaku-shain* in comparison with those of people in other forms of employment and work. Section IV categorizes *keiyaku-shain* on the basis of their attributes, as well as clarifying the characteristics of each category and what problems they each face. Section V provides an overall summary of the results of the analysis and discusses the implications derived from these results.

II. Data

The data used in this paper is from the employee questionnaire of the Survey on Employees with Diverse Work Style carried out by the Japan Institute for Labour Policy and Training (JILPT).¹⁰ This survey was carried out using a questionnaire posted to those responsible for the personnel departments at 10,000 businesses across the country selected by means of random sampling by business type and business establishment scale from a database of private sector businesses. The questionnaire consisted of a questionnaire for the business and a questionnaire for employees; those in charge of the personnel department were asked to complete the former and to distribute the latter to ten workers employed at their business establishment. There were 1,610 valid responses to the business questionnaire (a valid response rate of 16.1%) and 11,010 valid responses to the employee questionnaire (a valid response rate of 11.0%).

In addition, there are two points that should be noted when using the employee questionnaires from this survey. Firstly, when asking those in charge of the personnel department to distribute the employee questionnaires, there was a note requesting that they should be distributed to three regular employees and seven workers other than regular employees, as a general rule. Consequently, the structure of the number of people by form of employment and work ascertained from those employee questionnaires does not necessarily reflect the actual situation. Secondly, perhaps because those in charge of the personnel department

⁹ However, since 2009, discussions have commenced within a research group established by the Ministry of Health, Labour and Welfare, concerning approaches to legislation relating to fixed-term employment contracts, and in March 2012, the Government formed by the Democratic Party of Japan made a Cabinet decision regarding a bill to amend the Labor Contract Act, with the objective of protecting workers on fixed-term contracts.

¹⁰ For a detailed outline of the survey, refer to The Japan Institute for Labour Policy and Training (2011b).

were asked to distribute the employee questionnaires, there is a relatively high number of responses from office workers, such as those in specialist/technical posts and those in administrative and managerial posts. Consequently, the structure of occupations at the simple tabulation level ascertained from those employee questionnaires does not necessarily reflect the actual situation.

The following provides an explanation of the methods used to classify the questionnaire respondents, based on the above. In addition, even if one of the following requirements 1 to 6 were satisfied, those aged 60 or above have been excluded from the analysis, as a general rule.¹¹

(i) Those who have concluded an employment contract that does not stipulate a particular term, and whose prescribed weekly working hours are at least 35 hours, and who are referred to as a “standard staff member or employee” are deemed to be regular employees.¹² (ii) Those regular employees to whom one of the following applies—“are not expected to work in a managerial post, as a general rule,” “have a specified job,” “have a specified work location or work area,” or “are not expected to do overtime”—are deemed to be “limited regular employees.”¹³ (iii) Those who have concluded an employment contract that does not stipulate a particular term and whose prescribed weekly working hours are less than 35 hours are deemed to be indefinite part-time workers. (iv) Those who have concluded an employment contract that stipulates a particular term and whose prescribed weekly working hours are less than 35 hours are deemed to be fixed-term part-time workers. (v) Those who have concluded an employment contract that stipulates a particular term and whose prescribed weekly working hours are at least 35 hours are deemed to be *keiyaku-shain*. (vi) Irrespective of their appellation at their place of employment, their contract period and their prescribed working hours, those who responded that they are temporary agency workers from a temporary staffing agency are deemed to be temporary agency workers.¹⁴

¹¹ Refer to Section I for the reason why those aged 60 or above have been excluded.

¹² Working at least 35 hours a week was set as the criterion for full-time work after referring to the *Report of the Research Group on Improving the Employment Management of Workers on Fixed-term Contracts* (Ministry of Health, Labour and Welfare, July 2008). However, as stated in Section I, the boundary that determines whether someone is classed as full-time or part-time differs depending on the business. Consequently, there is a possibility that those classified as full-time here might include some people to whom the Part-time Workers’ Act is applicable. In the same way, one cannot deny the possibility that those classified as part-time here might include some people to whom the Part-time Workers’ Act is not applicable.

¹³ In this paper, in paragraphs referring to the ways of working and consciousness of limited regular employees, the term “regular employee” indicates a “regular employee in the narrow sense (one other than a limited regular employee).” On the other hand, in paragraphs that do not specifically refer to limited regular employees, the term “regular employee” indicates a “regular employee in the broad sense (including limited regular employees).”

¹⁴ In Section I (Figure 1), the concept of a “contract company worker” was established, but in the analysis here, they are classified as either regular employees, limited regular employees, indefinite part-time workers, fixed-term part-time workers or *keiyaku-shain*.

The attributes of those subject to analysis who have been classified in this way are shown in Table 1. From this, if one focuses on the attributes of *keiyaku-shain* in particular, one can see that (i) the proportion of women is around 70%, which is higher than the proportion amongst regular employees, but lower than that amongst indefinite and fixed-term part-time workers and temporary agency workers; (ii) compared with regular employees, there are relatively few aged in their 30s to 40s, but many aged in their 50s; (iii) compared with regular employees, there are many who graduated from high school, junior college or technical college, but few who progressed as far as graduating from university or a higher level institution; (iv) the proportion of those who responded that they themselves were the main breadwinner was around 40%, which was lower than the proportion amongst regular employees, but higher than that amongst indefinite and fixed-term part-time workers (temporary agency workers were at the same level); (v) compared with regular employees, there are few in administrative and managerial posts, but many in jobs relating to production processes, service-related posts, and other jobs.

III. Characteristics of *Keiyaku-Shain*

1. Involuntary Employment as *Keiyaku-Shain*

What are the reasons why those who currently work as *keiyaku-shain* became *keiyaku-shain* in the first place?

Table 2 presents the reasons why non-standard workers chose their current way of working. From this, one can see that, firstly, in the case of indefinite part-time workers and fixed-term part-time workers, there are many who indicate comparatively positive reasons for their choice, namely “because I want to work at a time that is convenient for me,” “because my hours of work/working week is short” and “because I cannot work as a regular employee due to my personal circumstances, such as housework, raising children or providing long-term family care.” On the other hand, in the case of *keiyaku-shain*, the largest number of responses was for “because there were no opportunities to work as a standard staff member or employee” (41.0%); if “other” (23.7%) is excluded, the next largest share was accounted for by “because if I work for a while, there is a possibility I might be able to become a standard staff member or employee” (19.9%). Moreover, *keiyaku-shain* accounted for the largest proportion of those responding with these particular answers.

Thus, unlike in the case of part-time employees, who form the majority of non-standard workers, amongst the *keiyaku-shain* are some who chose their current way of working as a step towards becoming a regular employee, but one can say that most chose their current way of working on the basis of passive reasons.

Table 1. Attributes of Those Subject to Analysis (%)

	Regular employee	Limited regular employee	<i>Keiyaku-shain</i>	Indefinite part-time worker	Fixed-term part-time worker	Temporary agency worker
Male	68.7	48.8	28.9	4.4	11.0	19.2
Female	31.1	51.1	71.0	95.6	88.8	80.8
No response	0.2	0.1	0.1	0.0	0.3	0.0
29 or below	20.1	27.1	20.2	8.8	11.6	23.7
30 - 39 years	34.5	33.1	29.4	31.5	28.9	42.9
40 - 49 years	28.6	23.7	25.2	32.5	34.3	26.9
50 - 59 years	16.8	16.1	25.1	27.1	25.2	6.4
Junior high school	1.6	1.7	3.4	2.7	2.8	2.6
High school	33.7	37.0	48.6	54.9	46.9	36.5
Junior college/ technical college	16.1	25.3	25.2	33.6	30.6	35.9
Graduated from university or higher	48.3	35.6	21.8	8.5	19.4	24.4
No response	0.2	0.3	0.9	0.3	0.4	0.6
Myself	70.6	59.2	40.4	13.9	18.1	39.1
Someone else	27.3	39.1	57.4	84.7	79.6	59.6
No response	2.1	1.7	2.3	1.4	2.3	1.3
Specialist/technical post	16.0	29.4	15.4	24.4	19.3	9.0
Administrative and managerial post	15.3	6.6	1.1	0.0	0.3	0.0
Clerical post	41.3	37.6	40.8	28.8	40.6	70.5
Sales-related post	7.2	4.0	4.9	6.1	4.1	0.6
Job relating to production processes	8.4	7.6	14.3	7.8	6.1	7.1
Job relating to transport/ communications	1.5	4.0	2.3	1.4	1.1	1.3
Security-related post	0.8	1.5	1.3	0.7	0.7	0.6
Job relating to agriculture, forestry or fisheries industry	0.2	0.3	0.3	0.0	0.1	0.0
Service-related post	3.0	3.5	7.6	15.6	12.9	3.2
Other job	3.3	2.7	8.8	9.2	10.8	6.4
No response	3.0	2.8	3.1	6.1	3.9	1.3
N	3257	1563	1719	295	1139	156

Table 2. Reasons for Choosing the Current Way of Working, by Form of Employment/Work (multiple responses, %)

	<i>Keiyaku-shain</i>	Indefinite part-time worker	Fixed-term part-time worker	Temporary agency worker
Because I want to work at a time that is convenient for me	10.1	61.8	46.4	11.1
Because I can make use of my specialist knowledge/skills	6.8	8.8	8.6	12.4
Because my hours of work/working week is short	3.8	33.0	29.2	6.5
Because it is easy to commute	10.4	19.3	18.3	13.7
Because I am not restricted by the organization	6.0	4.9	5.3	10.5
Because if I work for a while, there is a possibility I might be able to become a standard staff member or employee	19.9	3.5	3.9	9.8
Because I cannot work as a regular employee due to my personal circumstances, such as housework, raising children or providing long-term family care	10.4	46.3	32.1	9.2
Because there were no opportunities to work as a standard staff member or employee	41.0	9.8	22.5	37.9
Other	23.7	3.9	10.5	30.7
N	1495	285	1061	153

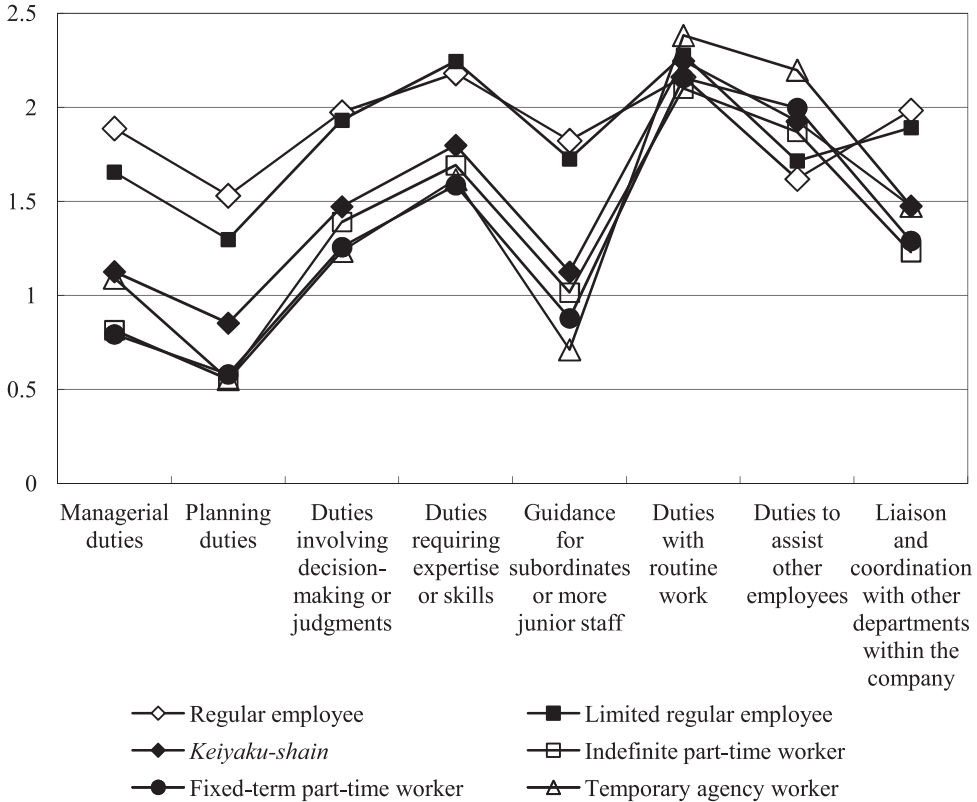
Notes: 1. In addition to the above, the options also included “because the work is easy,” “because there are no intra-company transfers,” and “because it is physically difficult for me to work as a standard staff member or employee,” but the selection rate was less than 10% for all forms of employment/work, so these have been omitted.

2. Those who did not respond have been excluded.

2. Similar Duties to Regular Employees and Strong Wage Dissatisfaction

Next, let us look at the duties of these *keiyaku-shain*, the current status of their wages and their level of satisfaction with regard to those wages.

Figure 2 shows the nature of the duties of those who responded to the questionnaire. From this, one can see that there are major differences between regular employees, limited regular employees, and *keiyaku-shain*, indefinite part-time workers, fixed-term part-time workers, temporary agency workers in terms of the nature of their duties. More specifically, in



Notes: 1. In all cases, the score was calculated by assigning 3 points for “included to a great extent,” 2 points for “included to some extent,” 1 point for “hardly included at all” and 0 points for “not included at all.”
 2. Those who did not respond have been excluded.
 3. The numeric data have been omitted.

Figure 2. Nature of Duties by Form of Employment/Work (score)

a relatively large number of cases, regular employees and limited regular employees are charged with core duties, in the form of managerial duties, planning duties, duties involving decision-making or judgments, duties requiring expertise or skills, guidance for subordinates or more junior staff, and liaison and coordination with other departments within the company, while *keiyaku-shain*, indefinite part-time workers, fixed-term part-time workers and temporary agency workers tend to be assigned peripheral duties, in the form of duties with routine work and duties to assist other employees. In other words, one can say that non-standard workers often handle peripheral duties.

However, what we wish to focus on here is the status of *keiyaku-shain* amongst non-standard workers. From the diagram, one can see that it is relatively more common for *keiyaku-shain* to take on tasks deemed to be core duties—namely managerial duties, planning duties, duties involving decision-making or judgments, duties requiring expertise or

Table 3. Wages and Level of Wage Satisfaction by Form of Employment/Work

	Wage (Scheduled hourly wage: ¥)			Level of wage satisfaction (Score)	
	Mean value	Median	N	Mean value	N
Regular employee	2184	1708	2848	0.03	3248
Limited regular employee	1885	1459	1407	-0.15	1560
<i>Keiyaku-shain</i>	1124	1000	1591	-0.42	1708
Indefinite part-time worker	1038	874	283	0.02	290
Fixed-term part-time worker	1342	916	1093	-0.08	1130
Temporary agency worker	1261	1203	145	-0.39	156

Notes: 1. The score for the level of satisfaction was calculated by assigning 2 points for “satisfied,” 1 point for “somewhat satisfied,” 0 points for “neither satisfied nor dissatisfied,” -1 point for “somewhat dissatisfied” and -2 points for “dissatisfied.”

2. In both cases, those who did not respond have been excluded.

skills, guidance for subordinates or more junior staff, and liaison and coordination with other departments within the company—than is the case amongst other non-standard workers. In other words, amongst all non-standard workers, *keiyaku-shain* deal with comparatively core duties similar to those of regular employees and limited regular employees.

What is the wage situation in regard to this? Table 3 (left-hand table) shows the wage levels (scheduled hourly wage) of questionnaire respondents. Firstly, if one looks at the mean value, one can see that the wages of fixed-term part-time workers are the highest amongst all non-standard workers. However, it is thought that outlying values have a major impact on the scheduled hourly wage of fixed-term part-time workers.¹⁵ Furthermore, if one looks at the median values, one can see that they are as follows, in descending order: regular employees (¥1,708), limited regular employees (¥1,459), temporary agency workers (¥1,203), *keiyaku-shain* (¥1,000), fixed-term part-time workers (¥916) and indefinite part-time workers (¥874). From this, one can see that, compared with other non-standard workers, *keiyaku-shain* carry out duties that are similar to those of regular employees and limited regular employees, but if one looks at their wages, there is hardly any difference between them and other non-standard workers.

So what do *keiyaku-shain* think of their wages? Table 3 (right-hand table) shows the scores for the level of satisfaction with wages as seen by form of employment or work.

¹⁵ The details will be omitted, but those whose weekly prescribed working hours extend to just a few hours include many people who have a high scheduled hourly wage.

Table 4. Status of the Desire to Transition to Being a Regular Employee by Form of Employment/Work (%)

	I want to transition to being a regular employee at my current company	I want to transition to being a regular employee at another company	N
<i>Keiyaku-shain</i>	19.0	14.4	1643
Indefinite part-time worker	8.1	10.9	284
Fixed-term part-time worker	9.1	13.5	1082
Temporary agency worker	18.5	23.2	151

Note: Those who did not respond have been excluded.

From this, one can see that *keiyaku-shain* have the lowest level of satisfaction in regard to wages amongst all of the forms of employment and work examined here.

3. Desire to Transition to Being a Regular Employee

In this kind of situation, what sort of career do *keiyaku-shain* wish to follow? Table 4 shows the status of the desire to transition to being a regular employee amongst non-standard workers.

From this, one can see that amongst *keiyaku-shain* and temporary agency workers are many who wish to transition to being a regular employee. Another point that should be noted is at which company they wish to transition to being a regular employee. More specifically, whereas the largest proportion of those stating that “I want to transition to being a regular employee at my current company” was seen amongst *keiyaku-shain* (19.0%), one can see that in the case of non-standard workers other than *keiyaku-shain*, including temporary agency workers, there were more who stated that “I want to transition to being a regular employee at another company” than “I want to transition to being a regular employee at my current company.”

4. Summary

The content of this section can be summarized as follows. Firstly, looking at the reasons why the respondent chose *keiyaku-shain* as their way of working, there are some who selected this way of working as a step towards becoming a regular employee, but most became *keiyaku-shain* for passive reasons: in other words, as a form of involuntary employment. In this way, they differ greatly from part-time employees, who form the majority of non-standard workers. Secondly, looking at the nature of their duties, of all non-standard

workers, *keiyaku-shain* have the position that is closest to that of regular employees and limited regular employees, but if one looks at their wages, one can see that there is hardly any difference from other non-standard workers. In addition, perhaps because of this, they have a strong sense of dissatisfaction with their wages. Thirdly, amongst *keiyaku-shain* are many people who wish to transition to being regular employees, particularly those who wish to transition to being regular employees at their current company.

IV. Types of *Keiyaku-Shain*

1. The Categorization of *Keiyaku-Shain*

In Section III, it was pointed out that the characteristics of *keiyaku-shain* are that there are many who are involuntarily employed as *keiyaku-shain*, that the nature of their duties is similar to those of regular employees and limited regular employees, but they have a strong sense of dissatisfaction regarding their wages, perhaps because they do not receive a commensurate level of pay, and that there are many who wish to transition to being regular employees. In regard to this, this section categorizes *keiyaku-shain* on the basis of their attributes, as well as clarifying the characteristics of each category and what problems they each face.

When categorizing *keiyaku-shain* on the basis of their attributes, what should be taken up as the first grouping axis is whether or not they are in a specialist occupation. For example, as can be seen from the definitions of *keiyaku-shain* used in the Labour Force Survey published by the Ministry of Internal Affairs and Communications (“a person who is employed in accordance with a contract with the objective of engaging them in a specialist occupation, with a specified contract period”) and in the General Survey on Diversified Types of Employment published by the Ministry of Health, Labour and Welfare (“a person who is contracted for a specified employment period, with the objective of engaging in a specific occupation and demonstrating specialized skills”), the idea that workers in specialist posts are one type of worker who works on the basis of an employment contract with a specified period is widely accepted.¹⁶ Such workers are called “specialist” *keiyaku-shain*.

The second aspect that should be taken up as a grouping axis is age. This is because in Japan’s labor market, the younger one is, the easier it is to make the transition from non-standard worker to regular employee.¹⁷ Accordingly, of the *keiyaku-shain* other than

¹⁶ However, as Fujimoto (2005) points out, the reality is that it is necessary to pay attention to the fact that the labor market for workers in specialist or technical occupations is not necessarily as fluid as the labor markets for other occupations.

¹⁷ In the business questionnaire conducted as part of the Survey on Employees with Diverse Work Style, with regard to the question “What are the ages of those who became regular employees under the intra-company transition system/customary practice in the last three years?” (multiple responses), the responses demonstrated that while 48.2% were in their late 20s and 57.5% in their early 30s, 39.0% were in their late 30s and 39.3% were in their 40s or older. In the same way, with regard to the

those in the specialist category, those who are aged below a certain age are deemed to be “young” *keiyaku-shain*.¹⁸

The third aspect that should be taken up as a grouping axis is whether or not the worker in question has an obligation to make their own living. This is because whereas it is necessary for those who are the main breadwinner for their household to strive to secure a stable income, above all, those who are not the main breadwinner for their household are, in many cases, those who are in charge of doing the housework, so there are restrictions on their employment; consequently, it is thought that their ways of working and consciousness differ from those of people who are the main breadwinner for their household. Accordingly, of those *keiyaku-shain* who are not in the “specialist” or “young” categories, those who do not have an obligation to make their own living are deemed to be *keiyaku-shain* “supplementing the family finances,”¹⁹ while those who do have an obligation to earn their livelihood are deemed to be “subsistence” *keiyaku-shain*.

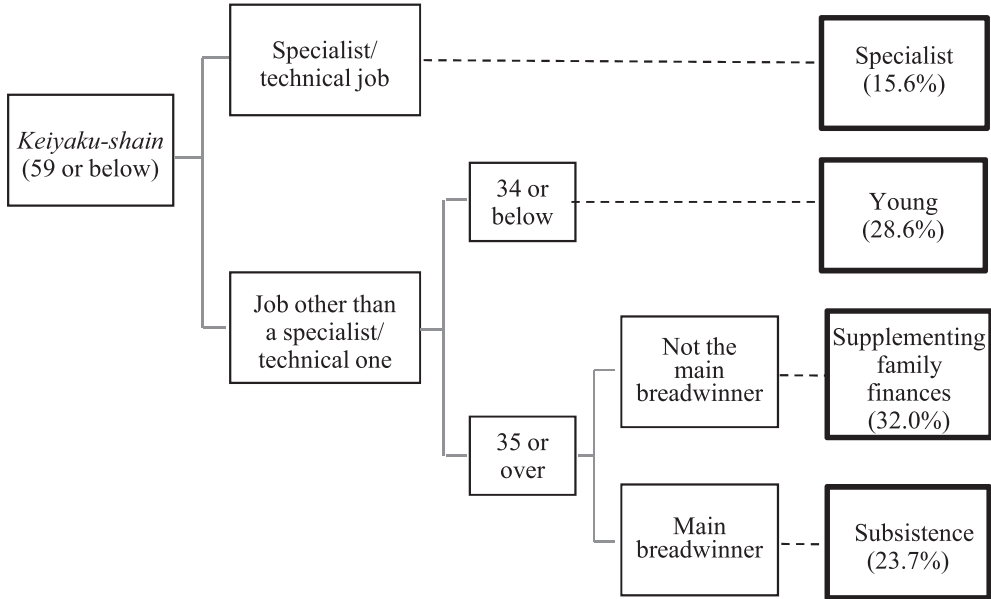
The following analyzes the employee questionnaires in the Survey on Employees with Diverse Work Style, using these grouping axes. More specifically, using the following procedure, *keiyaku-shain* (aged 59 or below) have been classified into the four groups before being analyzed (Figure 3). Firstly, those engaged in “specialist/technical posts” are classified as specialist *keiyaku-shain*. Secondly, those to whom the specialist classification does not apply and who are aged 34 or below are classified as young *keiyaku-shain*. Thirdly, of those aged 35 or above to whom the specialist classification does not apply, those who responded that the main breadwinner for their household was “someone else” are classified as *keiyaku-shain* supplementing the family finances. Fourthly, of those aged 35 or above to whom the specialist classification does not apply, those who responded that the main breadwinner for their household was “myself” are classified as subsistence *keiyaku-shain*.

The number of *keiyaku-shain* categorized in this way was 1,697, of whom 265 (15.6%) fell into the specialist category, 486 (28.6%) into the young category, 543 (32.0%)

ages of those who were “employed as regular employees after having worked as non-standard workers at another company in the last three years” (multiple responses), the responses indicated that whereas 49.2% were in their late 20s and 53.0% were in their early 30s, 30.3% were in their late 30s and 28.1% were in their 40s or older.

¹⁸ It is commonly known that during the “employment ice age” that followed the collapse of the bubble economy, a large number of young people became non-standard workers (*freters*), but according to Kosugi (2002), more than 70% of male *freters* and more than 60% of female *freters* are actually full-time workers who work for at least 35 hours a week. This suggests the possibility that these *freters* are one important source of *keiyaku-shain*.

¹⁹ It is undeniable that the greatest proportion of non-standard workers is accounted for by housewives in part-time employment (Honda 2010), but in general, they become mainstays in the workplace and in many cases, when they are assigned core duties, they then shift to working full-time. In this sense, there is a possibility that middle-aged and older women are an important source of *keiyaku-shain* who are supplementing the family finances, as described here.



Source: Compiled by the author.

Figure 3. The Categorization of *Keiyaku-Shain*

into the supplementing the family finances category, and 403 (23.7%) into the subsistence category.

2. Problems Facing Each Category

(1) Specialist *Keiyaku-Shain*

Specialist *keiyaku-shain* are characterized by the fact that they have relatively high wages and levels of satisfaction with their “current job overall,” compared with other types of *keiyaku-shain*. Table 5 demonstrates this.

The table for wages focuses on regular employees and *keiyaku-shain*, and analyzes what kind of effects being a *keiyaku-shain*, being in a specialist occupation, and the interaction of the two have on wage levels (logarithmic values for scheduled hourly wage). From this, one can see that being a *keiyaku-shain* has the effect of reducing one’s wage level (Model 1), while being in a specialist occupation has the effect of increasing it (Model 2). What should be noted in addition to this is that in Model 3, the interaction of the two elements has a positively significant effect on wage levels. This demonstrates that although the wage levels of *keiyaku-shain* are generally low compared with those of regular employees, the difference in wage levels between regular employees in specialist occupations and *keiyaku-shain* in specialist occupations is smaller than the gap in wage levels between regular employees in other occupations and *keiyaku-shain* in other occupations. In other words, in the case of specialist occupations, even if one is a *keiyaku-shain*, the disadvantage

Table 5. Wages (OLS) and Level of Job Satisfaction (Ordered Logistic Regression Analysis) of *Keiyaku-shain*

Wages							
Explained variables:	Model 1		Model 2		Model 3		
Ln (scheduled hourly wage)	B	t value	B	t value	B	t value	
<i>Keiyaku-shain</i>	-0.419	-27.861 ***	-0.418	-27.279 ***	-0.451	-27.148 ***	
Specialist			0.057	3.257 ***	0.016	0.805	
<i>Keiyaku-shain</i> × Specialist					0.198	5.128 ***	
(Constant)	7.453	364.091	7.442	355.163	7.447	355.741	
N		5629		5474		5474	
F value		71.207 ***		66.718 ***		65.831 ***	
Adjusted R-square		0.285		0.284		0.287	

Level of Job Satisfaction							
Explained variables: Level of job satisfaction (5 levels)	Model 1		Model 2		Model 3		
	B	Wald	B	Wald	B	Wald	
<i>Keiyaku-shain</i>	-0.349	36.786 ***	-0.360	37.946 ***	-0.413	41.580 ***	
Specialist			-0.024	0.130	-0.086	1.368	
<i>Keiyaku-shain</i> × Specialist					0.292	4.029 **	
τ=1	-3.287	1142.929	-3.287	1104.284	-3.296	1107.666	
τ=2	-1.752	442.670	-1.761	429.351	-1.770	432.255	
τ=3	-0.326	16.620	-0.341	17.431	-0.349	18.213	
τ=4	1.923	505.682	1.921	484.650	1.914	480.056	
N		6202		6027		6027	
-2LL		10108.700		10836.277		10832.263	
Chi-squared		245.586 ***		239.809 ***		243.823 ***	
Nagelkerke R-square		0.041		0.042		0.042	

Notes: 1. ***: p<0.01, **: p<0.05, *: p<0.1.

- The targets of the analysis were regular employees and *keiyaku-shain* aged 59 or below.
- In all cases, as well as the items listed in the table, the female dummy, the age bracket dummy (4 categories), the academic background dummy (4 categories), the business type dummy (20 categories), and the company scale dummy (6 categories) were incorporated into the explanatory variables.

in terms of wage levels is relatively small.²⁰

The same applies to the level of satisfaction with their “current job overall.” The table for the level of job satisfaction focuses on regular employees and *keiyaku-shain*, and analyzes what kind of effects being a *keiyaku-shain*, being in a specialist occupation, and the interaction of the two have on the level of satisfaction with their “current job overall.” What

²⁰ The reason for this would seem to be that amongst the specialist *keiyaku-shain* are quite a few people who are employed at higher wages than regular employees, in situations where there are no suitable people within the company, such as when starting up a new business enterprise. See The Japan Institute for Labour Policy and Training (2010).

Table 6. Desire to Transition to Being a Regular Employee amongst *Keiyaku-shain* (Binomial Logistic Regression Analysis)

Explained variables:	I want to transition to being a standard staff member or employee		I want to transition to being a standard staff member or employee at my current company	
	B	Wald	B	Wald
(Specialist)				
Young	1.021	25.787 ***	0.475	4.217 **
Supplementing the family finances	0.417	3.915 **	0.323	1.710
Subsistence	0.398	3.249 *	-0.091	0.117
Constant	-0.253	1.016	-0.813	7.956
N		1481		1481
-2LL		1783.209		1362.229
Chi-squared		113.488 ***		71.008 ***
Nagelkerke R-square		0.102		0.075

Notes: 1. The reference group is shown in brackets.

2. ***: $p < 0.01$, **: $p < 0.05$, *: $p < 0.1$.

3. As well as the items listed in the table, the female dummy, the academic background dummy (4 categories), the occupation dummy (9 categories, excluding “specialist/technical post”), the business type dummy (20 categories), and the company scale dummy (6 categories) were incorporated into the explanatory variables.

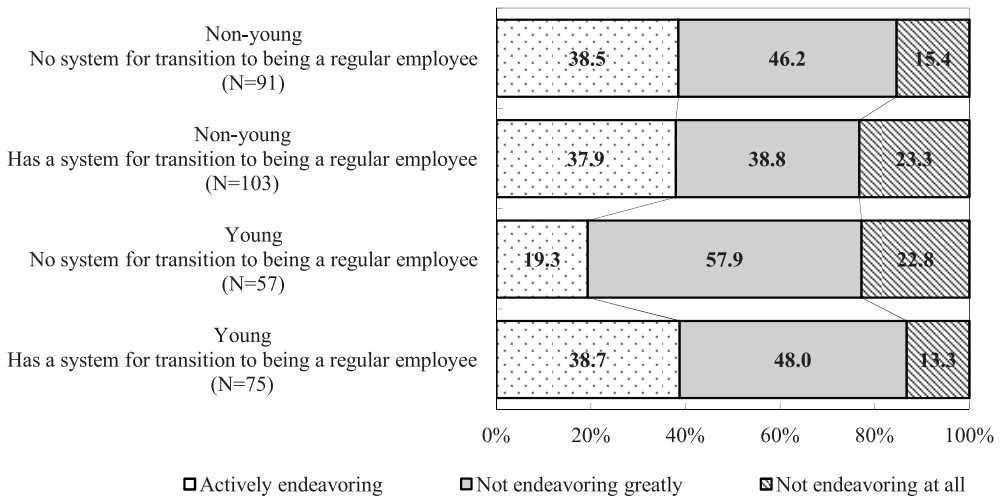
should be noted here is Model 3. From this, one can see that although the level of satisfaction with their “current job overall” of *keiyaku-shain* is generally low compared with that of regular employees, the difference in the level of satisfaction between regular employees in specialist occupations and *keiyaku-shain* in specialist occupations is smaller than the gap in the level of satisfaction between regular employees in other occupations and *keiyaku-shain* in other occupations. In other words, in the case of specialist occupations, even if one is a *keiyaku-shain*, the scale of the decrease in the level of satisfaction is relatively small.

From this, in general, one can say that compared with other types of *keiyaku-shain*, specialist *keiyaku-shain* face relatively few problems.

(2) Young *Keiyaku-Shain*

Young *keiyaku-shain* can be characterized as having a strong desire to transition to being regular employees. Table 6 and Figure 4 demonstrate this point.

Firstly, from Table 6 one can see that of all four types of *keiyaku-shain*, young *keiyaku-shain* have the strongest consciousness that they want to transition to being a standard staff member or employee and, similarly, they have the strongest consciousness that they want to transition to being a standard staff member or employee at their current company.



- Notes: 1. The targets of the analysis are those who wish to transition to being regular employees only.
 2. If a business had a system or customary practice of intra-company transition to being regular employees with objective appointment criteria, it was deemed to have a system for transition to being a regular employee.
 3. Those who did not respond have been excluded.

Figure 4. Status of Endeavors to Develop Vocational Skills amongst *Keiyaku-Shain*

Moreover, from Figure 4, one can see that although they assert that they wish to transition to being regular employees in the same way, this desire often leads to young *keiyaku-shain* taking concrete actions, more than in the case of other *keiyaku-shain*. More specifically, whereas there is no major difference in the status of endeavors to develop vocational skills in the case of *keiyaku-shain* other than young *keiyaku-shain*, whether or not there is a system for transition to being a regular employee, in the case of young *keiyaku-shain*, the status of endeavors to develop vocational skills differs depending on whether or not such a system exists.

Thus, young *keiyaku-shain* wish to transition to being regular employees. In addition, one can say that not only do they express this desire in words, but this desire also manifests itself in their actions.

(3) *Keiyaku-Shain* Supplementing the Family Finances

Keiyaku-shain supplementing the family finances are characterized by low wages and a low level of satisfaction regarding wages. Table 7 demonstrates these points.

The table for wages shows the results of regression analysis using the logarithmic values for scheduled hourly wage as the explained variable. From this, one can see that *keiyaku-shain* supplementing the family finances have the lowest wages of all four types of

Table 7. Wages (OLS) and Level of Wage Satisfaction (Ordered Logistic Regression Analysis) of *Keiyaku-shain*

Wages			
Explained variable: Ln (Scheduled hourly wage)	B	t value	
(Specialist)			
Young	-0.156	-5.259	***
Supplementing the family finances	-0.180	-5.890	***
Subsistence	-0.089	-2.782	***
(Constant)	7.320	192.601	
N		1431	
F value		11.224 ***	
Adjusted R-square		0.218	
Level of Wage Satisfaction			
Explained variable: Level of satisfaction with wages (5 levels)	B	Wald	
(Specialist)			
Young	-0.075	0.210	
Supplementing the family finances	-0.409	5.906	**
Subsistence	-0.358	4.067	**
$\tau=1$	-1.867	75.227	
$\tau=2$	-0.479	5.194	
$\tau=3$	0.457	4.729	
$\tau=4$	1.962	77.773	
N		1532	
-2LL		3565.500	
Chi-squared		103.423 ***	
Nagelkerke R-square		0.068	

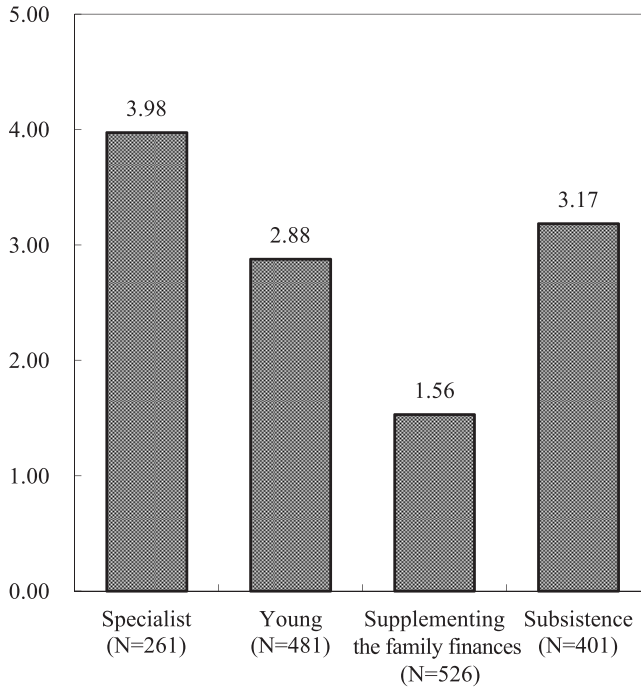
Notes: 1. The reference group is shown in brackets.

2. ***: $p < 0.01$, **: $p < 0.05$, *: $p < 0.1$.

3. In both cases, as well as the items listed in the table, the female dummy, the academic background dummy (4 categories), the occupation dummy (9 categories, excluding "specialist/technical post"), the business type dummy (20 categories), and the company scale dummy (6 categories) were incorporated into the explanatory variables.

keiyaku-shain. The table for the level of wage satisfaction shows the results of regression analysis using the level of satisfaction regarding wages as the explained variable. From this, one can see that *keiyaku-shain* supplementing the family finances have the lowest level of satisfaction regarding wages of all four types of *keiyaku-shain*.

So why have these results emerged? It seems that there are two causes. Firstly, it is difficult for *keiyaku-shain* supplementing the family finances to work overtime, because they often bear the responsibility for the housework. If they cannot do overtime, they are unable to take on a job with responsibility, and there is a possibility that their wages are kept



Note: Those who did not respond have been excluded.

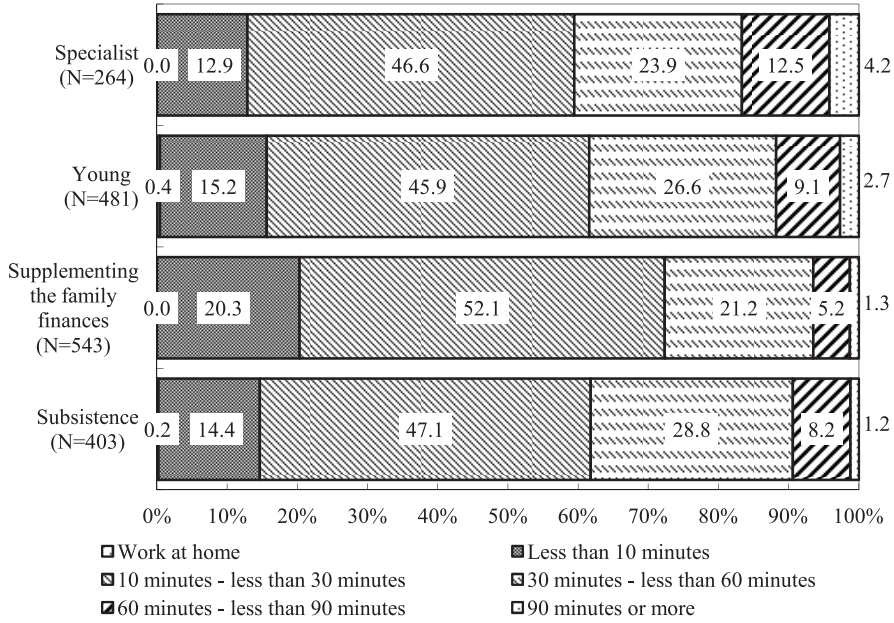
Figure 5. Weekly Hours of Overtime of *Keiyaku-Shain* (Average)

at a low level as a result.²¹ Secondly, in the same way, as *keiyaku-shain* supplementing the family finances often bear the responsibility for the housework, they have to choose a place of employment within a short commuting distance. If their range of options for a place of employment is narrow, then even if the wages were low at their current place of employment, it would seem to be difficult for them to change jobs for this reason.²²

These interpretations are corroborated by the data. Figure 5 shows that *keiyaku-shain* supplementing the family finances have the shortest hours of overtime of all four types of *keiyaku-shain*, while Figure 6 shows that *keiyaku-shain* supplementing the family finances have the shortest commuting time of all four types of *keiyaku-shain*.

²¹ In fact, if one adds to the table for wages in Table 7, which explains wages, a dummy variable expressing whether or not the individual works overtime as an explanatory variable, one obtains a positively significant result at the 1% level.

²² In fact, if one adds to the table for wages in Table 7, which explains wages, a variable expressing commuting time as an explanatory variable, one obtains a positively significant result at the 1% level.



Note: Those who did not respond have been excluded.

Figure 6. Commuting Time of *Keiyaku-Shain*

(4) Subsistence *Keiyaku-Shain*

There are two characteristics of subsistence *keiyaku-shain*. Firstly, many chose “there were no opportunities to work as a standard staff member or employee” as their reason for choosing their current way of working; in other words, there are many who are in involuntary employment as a *keiyaku-shain*. Secondly, there are few who stated that “I want to quit my current company”; in other words, there is only a weak intention to leave the job (Table 8).

As stated in the first part of this section as well, in general, there is a low probability of mature non-standard workers being able to transition to being regular employees. If one thinks about this in conjunction with the data in Table 8, it can be deduced that the reemployment and job change environment surrounding them is extremely harsh and this is the main reason why they have become *keiyaku-shain*, and also that this is also the reason why they do not wish to quit their current company and move to another company.²³

²³ In The Japan Institute for Labour Policy and Training (2011c), the fact that the reemployment and job change environment surrounding mature *keiyaku-shain* is extremely harsh is depicted by means of real-life examples. For more about the reemployment and job change environment surrounding mature workers in general, see Genda (2002).

Table 8. Reason for Choosing the *Keiyaku-Shain* as a Current Way of Working (Binomial Logistic Regression Analysis) and Intention to Leave the Job (Ordered Logistic Regression Analysis)

Reason for choosing the <i>keiyaku-shain</i> as a current way of work		
Explained variable:	There were no opportunities to work as a standard staff member or employee	
	B	Wald
(Specialist)		
Young	0.353	2.971 *
Supplementing the family finances	0.384	3.376 *
Subsistence	0.655	8.474 ***
Constant	-0.335	1.585
N		1349
-2LL		1746.430
Chi-squared		82.534 ***
Nagelkerke R-square		0.080
Intention to leave the job		
Explained variable:	I sometimes think that I would like to quit my current company (4 levels)	
	B	Wald
(Specialist)		
Young	0.012	0.005
Supplementing the family finances	-0.166	0.910
Subsistence	-0.305	2.781 *
$\tau=1$	-1.242	31.646
$\tau=2$	0.483	4.960
$\tau=3$	2.437	115.872
N		1519
-2LL		2945.249
Chi-squared		109.125
Nagelkerke R-square		0.075

Notes: 1. The reference group is shown in brackets.

2. ***: $p < 0.01$, **: $p < 0.05$, *: $p < 0.1$.

3. In both cases, as well as the items listed in the table, the female dummy, the academic background dummy (4 categories), the occupation dummy (9 categories, excluding "specialist/technical post"), the business type dummy (20 categories), and the company scale dummy (6 categories) were incorporated into the explanatory variables.

3. Summary

The content of this section can be summarized as follows. Firstly, compared with other types of *keiyaku-shain*, specialist *keiyaku-shain* are characterized by the fact that they face relatively few problems. Secondly, young *keiyaku-shain* are characterized by the fact that they have a strong desire to transition to being regular employees and that they not only assert this desire in words, but also demonstrate this by their actions. Thirdly, *keiyaku-shain* supplementing the family finances face the problems of low wages and wage dissatisfaction. The causes of this seem to be the fact that in many cases, they bear the responsibility for housework, so they are unable to do overtime, which means that they cannot take on a job with responsibility, and that they have to choose a place of employment within a short commuting distance. Fourthly, subsistence *keiyaku-shain* are characterized by the fact that, in many cases, the reemployment and job change environment surrounding them is extremely harsh, so they are compelled to work as *keiyaku-shain*.

V. Overall Summary and Implications

This paper has elucidated the problems being faced by *keiyaku-shain* (directly-employed full-time workers on fixed-term contracts, excluding those who have been reemployed after reaching the mandatory retirement age), by analyzing their ways of working and consciousness. As well as providing an overall summary of the facts discovered through this study, which have been clarified hitherto, this section seeks to ascertain the implications for the requisite measures to deal with this situation.

Firstly, when the ways of working and consciousness of *keiyaku-shain* are compared with those of workers in other forms of employment and work, the characteristics that emerge are (i) there are many who are involuntarily employed as *keiyaku-shain*; (ii) they have a strong sense of dissatisfaction in regard to their wages, perhaps because although the nature of their duties is similar to those of regular employees, they do not receive a commensurate level of pay; and (iii) there are many who wish to transition to being regular employees.²⁴

Furthermore, when *keiyaku-shain* were classified into four categories on the basis of their attributes, the following characteristics emerged: (a) specialist *keiyaku-shain* face relatively few problems; (b) young *keiyaku-shain* have a strong desire to transition to being regular employees; (c) *keiyaku-shain* who are supplementing the family finances face the problems of low wages and wage dissatisfaction; and (d) *keiyaku-shain* in the subsistence category are compelled to work as *keiyaku-shain*, due to the harsh environment in regard to reemployment and changing jobs.

²⁴ Incidentally, these characteristics can also be observed in regard to temporary agency workers. For details of the ways of working and consciousness of temporary agency workers, see Takahashi (2011).

From these facts that have been discovered, one can say the following. First of all, based on the overall situation in regard to the ways of working and consciousness of *keiyaku-shain*, there is a need to increase opportunities for employment as regular employees, rectify the wage disparities between regular employees and *keiyaku-shain*, and secure pathways that enable *keiyaku-shain* to transition to being regular employees, particularly intra-company transition routes.

Of course, these general measures are required. However, it has been made clear that there is a variety of people amongst *keiyaku-shain*, and the problems that they face all differ. In light of this fact, in addition to the aforementioned general measures, the following measures are required.

Firstly, young *keiyaku-shain* have a strong desire to transition to being regular employees, with a particularly strong desire to become a regular employee at their current company. Moreover, in the cases of many young *keiyaku-shain*, this desire is translated into action. Accordingly, with particular regard to young *keiyaku-shain*, it could well be effective to grant companies incentives, in order to encourage intra-company transitions to regular employee status.

Secondly, *keiyaku-shain* who are working to supplement their family finances have low wage levels and low levels of satisfaction with their wages compared with other types of *keiyaku-shain*. Having said that, the reasons why their wages are low include unavoidable circumstances, such as the fact that they are unable to work overtime, so cannot take on a job with responsibility. However, in relation to these circumstances, it is necessary to examine whether or not their wage levels are set unreasonably low, due to the fact that they cannot work overtime or cannot take on a job with responsibility.

Thirdly, most mature *keiyaku-shain* face a harsh reemployment and job change environment, so they have ended up in their current way of working as a result of a choice that they made reluctantly. However, in general, as the wage levels of regular employees at Japanese companies tend to become higher as they reach late middle age, it seems that employing mature *keiyaku-shain* as regular employees places a considerable burden on companies. Accordingly, it would seem that what is required is to introduce multiple regular employee categories within the same company (business establishment), with different personnel systems and wage systems, and to enable such workers to transition to being regular employees based on a different wage level from that of existing regular employees.

References

- Fujimoto, Masayo. 2005. *Senmon shoku no tenshoku kozo: Soshiki junkyosei to ido* [The job change structure in specialist posts: Organizational reference and transfers]. Tokyo: Bunshindo.
- Genda, Yuji. 2002. *Risutora chukonen no yukue* [Whatever happened to the restructured middle-aged and older workers?]. ESRI Discussion Paper Series no.10, Economic and Social Research Institute, Tokyo. http://www.esri.go.jp/jp/archive/e_dis/e_dis010/e_dis010a.pdf.
- Honda, Kazunori. 2010. *Shufu pato: Saidai no hiseiki koyo* [Housewives in part-time employment: The biggest non-standard employment sector]. Tokyo: Shueisha.
- Japan Institute for Labour Policy and Training, ed. 2010. *Keiyaku shain no jinji kanri: Kigyo hiaringu no chosa kara* [The personnel management of fixed-term full-time employees: From interviews carried out with companies]. JILPT Material Series no. 65, The Japan Institute for Labour Policy and Training, Tokyo.
- , ed. 2011a. *Keiyaku shain no jinji kanri to shugyo jittai ni kansuru kenkyu* [Study on personnel management and working situation of fixed-term full-time employees]. JILPT Research Report no.130, The Japan Institute for Labour Policy and Training, Tokyo.
- , ed. 2011b. *JILPT tayo na shugyo keitai ni kansuru jittai chosa: Jigyosho chosa/jugyoin chosa* [JILPT survey on employees with diverse work style: Survey of businesses/survey of employees]. JILPT Reserch Series no.86, The Japan Institute for Labour Policy and Training, Tokyo.
- , ed. 2011c. *Keiyaku shain no shugyo jittai: Kojin hiaringu chosa kara* [The working situation of fixed-term full-time employees: From interviews carried out with individuals]. JILPT Material Series no.96, The Japan Institute for Labour Policy and Training, Tokyo.
- Kosugi, Reiko, ed. 2002. *Jiyu no daisho—furita: Gendai wakamono no shugyo ishiki to kodo*. [The price of freedom—freeters: The attitudes to work and behavior of modern youth]. Tokyo: The Japan Institute of Labour.
- Takahashi, Koji. 2011. The current status and the challenges of dispatched work in Japan. In *Labor situation in Japan and analysis: Detailed exposition 2011/2012*, ed. The Japan Institute for Labour Policy and Training, 12-32. Tokyo: The Japan Institute for Labour Policy and Training. http://www.jil.go.jp/english/laborsituation/2011-2012/detailed_2011-2012.pdf.

JILPT Research Activities

JILPT has been proactively engaged in providing overseas researchers and experts with opportunities to study the labor situation in Japan. For instance, we invited Dr. Durrishah Idrus, the Vice Chancellor cum Chief Executive, KPJ International College of Nursing and Health Science, from Malaysia for two weeks in March 2012, and arranged for her to take a survey designed for comparative study between Japan and Malaysia, under the theme of Policy on Private Healthcare in Malaysia and Japan: Towards Harmonious Industrial Relations/Employment Relations through Good Governance/Best Practices. In this survey program, Dr. Idrus exchanged opinions with JILPT research fellows and other Japanese researchers, as well as officials at the Ministry of Labour, Health and Welfare. She also visited some organizations specialized in the subject field, such as the Japan Nursing Association, and several hospitals, to investigate what the management of healthcare facilities should look like and the actual conditions at the workplace. This survey offered explorative topics related to the best approach for creating a medical care system beyond the bounds of one country, in anticipation of future trends.

JILPT has also accepted several researchers from Germany and other European countries as well as from Singapore, South Korea, and other Asian countries, and arranged discussions for them with our research fellows, thus actively promoting global interactions in research activities.

Research Report

The findings of research activities undertaken by JILPT are compiled into Research Reports in Japanese. Below is a list of the reports published from November 2011 to March 2012. The complete Japanese text of these reports can be accessed from the JILPT website (<http://www.jil.go.jp/institute/pamphlet/>). We are currently working on uploading abstracts of reports in English onto the JILPT website as well (<http://www.jil.go.jp/english/>).

Research Reports

- No.149 Study on Diverse Needs and Career Guidance to Be Implemented for People in Their 30s and 40s (March 2012)
- No.148 Developments in Work Behavior and Attitudes among Young People in the Metropolis: The 3rd Survey on Young People's Work Style (March 2012)
- No.147 Recruitment of Workers and Their Settlement at Small and Medium-sized Enterprises: Attractive Job Offers and Vibrant Workplaces, Observed by Eye-tracking, HRM Check List, etc. (March 2012)
- No.146 Study on Job Structure: Based on a Numerical Analysis of Jobs and a Survey on

- Job Changes (March 2012)
- No.144 New Labor Organizations in the United States and Their Networks (March 2012)
- No.143 JILPT Employment Diversification Survey: Report on Secondary Data Analysis: New Frontier Issues and Old Frontier Issues (March 2012)
- No.142 Study on Social Contribution by the Elderly: Based on a Quantitative Analysis and Qualitative Analysis (March 2012)
- No.141 Challenges in Supporting Graduates Who Fail to Find Employment (March 2012)

Research Series

- No.101 Actions and Challenges of Local Governments in Job Creation (March 2012)
- No.100 Research on Mental Health Management in the Workplace (March 2012)
- No.98 Research Results on SME's Employment Management and Support Programs for Career and Child Raising (3) (March 2012)
- No.97 Research on Career Development at the Early Stages of Employment and Intergenerational Communications (March 2012)
- No.96 Interview Survey on Organizing Non-Standard Workers (March 2012)
- No.95 Research on the Standards of Living of Households with Children and Employment Status of Their Parents (March 2012)
- No.93 Research on Regional Production Activities and Employment (March 2012)
- No.92 Corporate Efforts in Social Contribution and Workers' Career Development: Based on True Stories of Middle-Aged and Elderly People Involved with Employment for the Disabled (March 2012)
- No.91 Actual Conditions of Recruitment for *Kisotsusha* (young people who have not been engaged in regular employment since graduation from school) at Small and Medium-Sized Enterprises (March 2012)
- No.90 Follow-Up Research on Employed Trainees under the Job Card System: Preliminary Report of the First and Second Job Change Monitoring Surveys (March 2012)

Research Material Series

- No.109 Human Resource Development and Capacity Building at Small and Medium-Sized Manufacturing Companies (Machinery and Metal Industries): Initiatives Taken in the Regional Centers of the Manufacturing Industry (March 2012)
- No.108 Working Hours and Holidays of Japanese People: Overtime Work and Unused Paid Leaves, and Workers' Consciousness and Work Environment (March 2012)
- No.107 Personnel Management of Diverse Types of Regular Employees: Based on a

- Corporate Interview Survey (March 2012)
- No.106 Case Study to Elaborate Employment Measures after the Great East Japan Earthquake: Based on Examples Related to the Unzen Fugendake Volcanic Eruption, the Great Hanshin-Awaji Earthquake, the Chuetsu Earthquake, the Noto Peninsula Earthquake, and the Chuetsu Offshore Earthquake (March 2012)
- No.105 Actual Status of Female Manager Appointment at Large Companies and Problem Awareness: Based on Interviews with People in Charge of Personnel Affairs and Female Managers (March 2012)
- No.104 Research on Foreign Systems for Working Hours Regulations (March 2012)
- No.103 Research on Initiatives for Equal Pay through Job Evaluation in Foreign Countries (March 2012)
- No.102 Ability Evaluation Systems in Foreign Countries: Survey on the UK, France, Germany, the U.S., China, South Korea, and the EU (March 2012)
- No.101 Records of Revisions to the Occupational Classifications: 2011 Revision to the Occupational Classifications Developed by the Ministry of Health, Labour, and Welfare (March 2012)
- No.99 Study on the Quantitative Effect of the Employment Maintenance Function of Employment Adjustment Subsidies (February 2012)
- No.98 The 9th Northeast Asia Labor Forum: Current Status of Support for Workers in Capacity Building and Career Development and Related Policy Issues (February 2012)
- No.97 Corporate Governance and Personnel Strategies of Japanese Companies (February 2012)

Japan Labor Review Order Form

The Japan Labor Review is published four times a year and is free of charge.
To receive the Japan Labor Review on a regular basis, please fill out this form and
fax to the Editorial Office at : +81-3-3594-1113.
(You can also register via our website: <http://www.jil.go.jp/english/JLR.htm>)

NAME: Mr. / Ms. _____

TITLE: _____

ORGANIZATION: _____

ADDRESS: _____

ZIPCODE: COUNTRY:

TEL: FAX: _____

EMAIL: _____

Soliciting Your Opinions

To improve the contents of the Review and provide you with the most useful information, please take the time to answer the questions below.

What did you think of the contents?

(Please check the most appropriate box.)

Very useful Useful Fair Not very useful Not useful at all

(If you have additional comments, please use the space below.)

What issues do you want the Review to write about?

❖ If you wish to unsubscribe the Japan Labor Review, please send an e-mail to jlr@jil.go.jp placing the word "remove" in the subject line.



The Japan Institute for Labour Policy and Training